

Glossary of Acronyms and Definitions

Acronyms

ADA	Americans with Disabilities Act
ADC	average daily census
AFB	Air Force Base
AVM	arteriovenous malformation
BRC	blind rehabilitation center
BVA	Blinded Veterans Association
CAH	critical access hospital
CARES	Capital Asset Realignment for Enhanced Services
CAVHCS	Central Alabama Veterans Health Care System
CBOC	community-based outpatient clinic
CMOP	Centralized Mail Out Pharmacy
CMS	Centers for Medicare and Medicaid Services
CTVHCS	Central Texas Veterans Health Care System
CWT	compensated work therapy program
DNCP	Draft National CARES Plan
DoD	Department of Defense
DRG	diagnostic related groups
EHR	Extremely High Risk
EU	enhanced use
EUL	enhanced use lease
FTE	full time equivalent
FY	Fiscal Year

GAO	General Accounting Office
GRECC	Geriatric Research, Education and Clinical Center
HCS	health care system
HSR&D	Health Services Research and Development
ICU	intensive care unit
JCAHO	Joint Commission on Accreditation of Health Care Organizations
LTC	long-term care
LVN	licensed vocational nurse
MUSC	Medical University of South Carolina
NCA	National Cemetery Administration
NCPO	National CARES Program Office
NDAA	National Defense Authorization Act
NH	nursing home
NHCU	nursing home care unit
NRM	nonrecurring maintenance [construction]
OPC	outpatient clinic
PET	positron emission tomography
PRRTP	psychiatric residential rehabilitation treatment program
PTSD	Post-Traumatic Stress Disorder
RN	registered nurse
RO	VBA Regional Office
SCI	spinal cord injury
SCI/D	spinal cord injury/disorder
SOPC or SOC	satellite outpatient clinic
STVHCS	South Texas Veterans Health Care System
USH	Under Secretary for Health
VA	Department of Veterans Affairs
VACO	VA Central Office
VAMC	VA Medical Center
VARO	VA Regional Office
VBA	Veterans Benefits Administration
VHA	Veterans Health Administration
VISN	Veterans Integrated Service Network
VSO	veterans service organization
VSSC	VISN Support Service Center

Definitions

Access Guidelines – Minimum percentage of enrollees living within a specific travel time to obtain VA care. For the CARES process, guidelines were defined as follows:

Access to Primary Care: 70% of veterans in urban and rural communities must be within 30 minutes of primary care; for highly rural areas, this requirement is within 60 minutes.

Access to Hospital Care: 65% of veterans in urban communities must be within 60 minutes of hospital care; for rural areas, this requirement is within 90 minutes; and for highly rural areas, this requirement is within 120 minutes.

Access to Tertiary Care: 65% of veterans in urban and rural communities must be within 4 hours of tertiary care; for highly rural areas, this requirement is within the VISN.

CARES (Capital Asset Realignment for Enhanced Services) – A planning process that evaluates future demand for veterans' health care services against current supply and realigns VHA capital assets in a way that results in more accessible, high quality health care for veterans.

CARES Commission – As charged by the Secretary of Veterans Affairs, the Commission will provide objectivity, bring an external perspective to the CARES planning process, and make specific recommendations to the Secretary regarding the realignment and allocation of capital assets necessary to meet the demand for veterans health care services over the next 20 years. In making its recommendations, the Commission will focus on the accessibility and cost effectiveness of care to be provided, while ensuring that the integrity of VA's health care and related missions is maintained, and any adverse impact on VA staff and affected communities is minimized.

CBOC (Community-Based Outpatient Clinic) – VA operated, or contracted or leased, health care facility geographically distinct or separate from the parent medical facility. In the DNCP, CBOCs have been classified into one of three tiers:

Priority Group One – those CBOCs proposed for Markets that did not meet the CARES Primary Care Access Standards, and will bring 7,000 or more enrollees within the standards.

Priority Group Two – those CBOCs proposed for Markets that did not meet the CARES Primary Care Access Standard, and will bring less than 7,000 enrollees within the standards.

Priority Group Three – those CBOCs proposed for Markets that already met the CARES Primary Care Access Standard.

Planning Initiative (PI) – A VACO-identified future gap, potential overlap in services, large change in demand, or required access improvements for a market area that met specific thresholds and that need to be resolved.

Proximity – Two or more acute or tertiary hospital facilities with similar missions within close proximity of each other.

Realignments –The DNCP identified facilities that should consolidate services or move services from one facility to another. These facilities were included in the October data call from the NCPO to the VISNs for life cycle and capital costs on the changes.

Small Facilities – Medical centers that have a projected acute bed levels fewer than 40 beds in FY 2012 and FY 2022.

Tertiary Care Hospital – Provides a full range of basic and sophisticated diagnostic and treatment services across the continuum of care, including some of the most highly specialized services. Tertiary medical centers are generally affiliated with schools of medicine, participate in undergraduate and graduate medical education, conduct clinical and basic medical research, and serve as regional referral centers.

Capital Asset Realignment For Enhanced Services (CARES) Commission Charter

- A. **OFFICIAL DESIGNATION** : Department of Veterans Affairs Capital Asset Realignment for Enhanced Services (CARES) Commission
- B. **OBJECTIVES AND SCOPE OF ACTIVITY** : The Commission will provide objectivity, bring an external perspective to the CARES planning process, and make specific recommendations to the Secretary regarding the realignment and allocation of capital assets necessary to meet the demand for veterans health care services over the next 20 years. In making its recommendations, the Commission will focus on the accessibility and cost effectiveness of care to be provided, while ensuring that the integrity of VA's health care and related missions is maintained, and any adverse impact on VA staff and affected communities is minimized.
- C. **PERIOD OF TIME NECESSARY FOR THE COMMISSION TO CARRY OUT ITS PURPOSE(S)** : The Commission shall complete its assigned responsibilities not later than February 29, 2004, unless that date is extended by the Secretary.
- D. **OFFICIAL TO WHOM THE COMMISSION REPORTS** : The Commission shall report to the Secretary of Veterans Affairs.
- E. **OFFICE RESPONSIBLE FOR PROVIDING THE NECESSARY SUPPORT TO THE COMMISSION** : Subject to the availability of appropriations, the Department shall provide the Commission with such resources as may be necessary for the performance of its duties and functions. Upon request of the Secretary, the head of any Federal department or agency, where legally authorized, may detail, on a non-reimbursable basis, any personnel of the department or agency to the Commission to assist in performing its functions.

- E. DUTIES FOR WHICH THE COMMISSION IS RESPONSIBLE :** The Commission will consider recommendations submitted by the Under Secretary for Health designed to meet the objectives cited above, along with data and analysis in support of such recommendations. The Commission will also consider views and concerns expressed in writing during a 60-day period after the Under Secretary for Health makes his recommendations, or in public hearings held by the Commission, from individual veterans, veterans service organizations, Congress, medical school affiliates, VA employees, local government entities, affected community groups and other interested parties. The Commission may accept, modify, or reject with supporting comments, the recommendations received from the Under Secretary for Health.

Commission members shall be appointed by the Secretary and shall serve as objective advisors to the Secretary, not as representatives of any organizations they may otherwise be serving. The staff director of the Commission, appointed by the Secretary, is assigned the responsibilities of the Designated Federal Officer (DFO) for the Commission.

- G. ESTIMATED ANNUAL OPERATING COSTS IN DOLLARS AND STAFF-YEARS :** The estimated cost of operating the Commission is \$2.3 million and 6 staff-years.
- H. ESTIMATED NUMBER AND FREQUENCY OF MEETINGS :** The Commission is expected to hold 30-40 meetings, to include public hearings across the nation. A Federal government official shall be present at all meetings. All meetings of the Commission shall be held in conformance with the requirements of the Federal Advisory Committee Act.
- I. COMMITTEE TERMINATION DATE :** The Commission is authorized through February 29, 2004, unless extended by the Secretary.
- J. DATE CHARTER IS FILED :**

APPROVED :

Signed by Anthony J. Principi

Secretary of Veterans Affairs

Date: 12-22-03

Appendix C

Comment Analysis

Format	VISN	Facility / Location	Number	Oppose Closure	Delays / Quality of Care	Oppose Reduction Services	Put a CBOC Near Me	Economic Impact	Land Use	Long-Term Care	Compliments	Parking/Infrastructure	Psychiatry	Employee Concerns	Miscellaneous / Other	Spinal Cord Injury/Disorder	Affiliate Impact	Blind Rehabilitation	
Petition	1	Bedford – GRECC	13,000	13,000			13,000												
Form Letter	1	Bedford VAMC	1,294	1,294			1,294	1,294	1,294		1,294								
Petitions	1	Bedford VAMC	650	638	86		12												
Individual Letters	1	Bedford VAMC	211	155	77	14	65	60	10	1	17	56	5	3	4	4	5		
Individual Letters	1	Bedford – GRECC	167	164	23		134	13			33	149	1						
Form Letter	1	Beford VAMC	149	149															
Form Letter	1	State of Maine	112		112	112													
Individual Letters	1	Other VISN 1	19		8	6	2	5	2		1	2	3			2	1		
Subtotal VISN 1			15,602	15,400	306	132	14,507	1,372	2	1,304	1	1,345	207	9	3	4	6	6	0
Petitions	2	Canandaigua	106,575	106,575	106,575	106,575													
Individual Letters	2	Canandaigua	2,110	2,101	388	34		1,502	89		11	225	60	2	2	4			
Form Letters	2	Canandaigua	304	304	162			42	65			162							
Individual Letter	2	Other VISN 2	7	3	1	1	1	2				4	2						
Subtotal VISN 2			108,996	108,983	107,126	106,610	1	1,546	0	154	0	11	391	62	2	2	4	0	0
Form Letter	3	Against Any NY Change	90	90	90	90	90												
Individual Letters	3	Montrose	103	45	26	10	49	60	2			3	20	12	4	6		1	
Form Letter	3	Montrose	25		25		25						25						
Individual Letters	3	Manhattan	19	15	9	1	4	4					3			1			
Individual Letters	3	Bronx	14	12	6	2	3	7				2	2						
Individual Letters	3	Southern New Jersey	5		4	4			4			1							
Individual Letters	3	Hudson Valley	4	1	2	1	1	4					1						
Individual Letters	3	Lyons	4	1	1	1		1				1	2						
Subtotal VISN 3			264	164	163	109	172	76	4	2	0	0	7	53	12	4	7	0	1
Individual Letter	4	Pittsburgh	42	6	13	6	1	10	9		1	4	7	6	2	2	1	1	
Individual Letters	4	Other VISN 4	8		5	2		5	1				1						
Subtotal VISN 4			50	6	18	8	1	15	10	0	0	1	4	8	6	2	2	1	0
Individual Letter	5	All VISN 5	5	2									1					2	
Subtotal VISN 5			5	2	0	0	0	0	0	0	0	0	0	1	0	0	0	0	2
Individual Letter	6	Durham	11			2	1	1	3			1	1	2	3				
Individual Letter	6	Other VISN 6	7		7				7										
Subtotal VISN 6			18	0	7	2	1	1	10	0	0	0	1	1	2	3	0	0	0
Individual Letter	7	All VISN 7	15	5	1	2	2		2		1	1	1	1	1	3	2		1
Subtotal VISN 7			15	5	1	2	2	0	2	0	1	1	1	1	1	3	2	0	1

Petitions	8	Lake City VAMC	5,355	5,355			5,355													
Individual Letters	8	Lake City VAMC	17	10	2	5	4							1	1	7				
Individual Letters	8	Orlando	23		4			1	11			1		2		8				
Individual Letters	8	CBOC Near Me	20		13	1			20					1						
Individual Letters	8	Other VISN 8	20		3	7	1	4	3			1	2	1		4		1		
Subtotal VISN 8			5,435	5,365	22	13	5,360	5	34	0	0	1	3	0	5	1	19	0	1	0
Petition	9	Lexington, KY	14,308	14,308			14,308													
Petition	9	Roane, TN County	124		124				124											
Petition	9	Roane, TN County	119						119											
Individual Letters	9	London, KY	70	45	28	11	3	5	1		9	7	3	27	5	2	6			
Individual Letters	9	Other VISN 9	5		5				5											
Individual Letters	9	Nashville	4	1		1		1									1	1		
Subtotal VISN 9			14,630	14,354	157	12	14,311	6	249	0	9	7	3	27	5	2	7	1	0	0
Individual Letter	10	Brecksville	201	102	98	54		139		1			8	89	14		1			
Individual Letter	10	Columbus	26	2	7	6		13		1			6					5		
		Subtotal VISN10	201	104	105	60	0	152	0	2	0	0	14	89	14	0	1	5	0	0
Petition 11a	11	Ft. Wayne	2,171	2,171		2,171	2,171	2,171												
Individual Letter	11	Ft. Wayne	53	5	26	8	1	25	4				3							
Individual Letter	11	Other VISN 11	14																	
Subtotal VISN 11			2,238	2,176	26	2,179	2,172	2,196	4	0	0	0	3	0	0	0	0	0	0	0
Individual Letter	15	All VISN 15	11		1	2		1			1	2	2		4		1	2	2	
Subtotal VISN 15			11	0	1	2	0	1	0	0	1	2	2	0	4	0	1	2	2	0
Petition	16	Jennings, LA	4,232		4,232			4,232												
Individual Letters	16	Texas	32		12	8		2	29	7			5		1		1			
Individual Letters	16	Louisiana	36	31	11	2		1					7		3		1			
Individual Letters	16	Mississippi	8	1	1	2		4					2	2	1		1	1		
Individual Letters	16	Oklahoma	2			1	1			1						1		1		
Subtotal VISN 16			4,310	32	4,256	13	1	7	4,261	8	0	0	14	2	5	1	3	2	0	0
Petitions	17	Waco VAMC	34,964	34,964			34,964													
Individual Letter	17	Waco VAMC	375	296	83	42		135		14	5	5	22	84	10	6	6	3	1	2
Individual Letter	17	Kerrville	107	59	39	3	63	18		4			18		14	1				
Individual Letter	17	Other VISN 17	11	3	6	1			5	2			1				2			
Subtotal VISN 17			35,457	35,322	128	46	35,027	153	5	20	5	5	41	84	24	7	8	3	1	2

Format	VISN	Facility / Location	C4																	
			Number	Oppose Closure	Delays / Quality of Care	Oppose Reduction Services	Put a CBOC Near Me	Economic Impact	Land Use	Long-Term Care	Compliments	Parking/Infrastructure	Psychiatry	Employee Concerns	Miscellaneous / Other	Spinal Cord Injury/Disorder	Affiliate Impact	Blind Rehabilitation		
Petitions	18	Big Spring VAMC	11,859	11,859			11,859													
Individual Letter	18	Big Spring VAMC	908	899	650	13	18	628		591			89	1		2	1			
Form Letter	18	Other VISN 18	11	2	6	4		4	5			4				1	1			
Form Letter	18	El Paso	11	7	6	2		2		1		3	3							
Subtotal VISN 18			12,789	12,767	662	19	11,877	634	5	592	0	0	96	4	0	0	2	2	1	0
Petition 19a	19	Lewistown, MT	491						491											
Form Letter	19	Lewistown, MT	362		362				362											
Petition	19	Denver	296						296	296				296	296					
Individual Letter	19	Lewistown, MT	56		31	22			52			9								
Individual Letter	19	Denver	18	5	6	6	1	6	6			3	1			1				
Individual Letter	19	Cheyenne	7	7	3	3	3	1				1					1			
Individual Letter	19	Billings	4		3	1		1	3											
Subtotal VISN 19			1,234	12	405	32	4	8	1,210	296	0	0	13	1	296	296	1	1	0	0
Form Letter	20	Washington State	2,021	2,021	2,021	2,021		2,021												
Petition	20	Walla Walla	1,336	1,336			1,336													
Individual Letter	20	Washington State	1,142	1,039	719	697	354	128	27	3			27			3				
Petition	20	Washington State	783	783	783	783														
Individual Letter	20	White City	585	585		511		74												
Petition	20	White City	394	359	89	7	47	213		25	1	1	67	66		3	3	9		
Individual Letter	20	Walla Walla	134	115	78	26	32	58	1		1	3	14	12		6	1		2	
Individual Letter	20	Vancouver	106	104	80	8	1	77				1	15	3	8	2	1	1	1	
Individual Letter	20	Portland	18	14	3	7		9					1	1	2	1				
Individual Letter	20	Other VISN 20	17	11	6	3		8	4					1	2				1	
Subtotal VISN 20			6,536	6,367	3,779	4,063	1,770	2,588	32	28	2	5	124	83	12	12	8	10	2	2
Petition	21	Livermore	594	594																
Individual Letter	21	Livermore	357	344	67	37		68	2			12	18	16	1	2	2	1	1	
Individual Letter	21	Other VISN 21	10		3	2		3	3							1		2		
Subtotal VISN 21			961	938	70	39	0	71	5	0	0	12	18	16	1	2	3	1	3	0
Form Letter	22	West Los Angeles	1,722					1,722			1,722									
Individual Letter	22	West Los Angeles	86		2			57			82		1	2					3	
Individual Letter	22	Las Vegas	10		7	5		5	5			1					1		1	
Individual Letter	22	Long Beach	4	2	2	2		2											1	
Subtotal VISN 22			1,822	2	11	7	0	1,786	5	0	1,804	1	1	2	0	0	1	0	2	3

Individual Letter	23	Shenandoah, IA	248		205	138		3	248	4			16				1		1
Petition	23	Decorah, IA	45						45								1		
Individual Letter	23	Knoxville, IA	29	30	11	2	1	14		5				1			2		
Individual Letter	23	South Dakota	9	8	4	1	2	2		4			1	1					
Individual Letter	23	Omaha	9	2	5	2		6	2	2			1	1					
Individual Letter	23	Minneapolis	9		1	3		3					1	3			1		
Individual Letter	23	Other VISN 23	7		1			4	5								1		
Individual Letter	23	North Dakota	1		1			1	1										
Subtotal VISN 23			357	40	228	146	3	33	301	15	0	0	19	6	0	0	6	0	1
Petition		Against Any Closing	1,345	1,345				1,345											
Individual Letter		Against Any Closing	131	12		1	124	126					1						
Against Any Closing			1,476	1,357	0	1	1,469	126	0	0	0	0	1	0	0	0	0	0	0
Comment Category Totals			212,407	203,396	117,471	113,495	86,678	10,776	6,139	2,421	1,823	1,391	963	449	392	339	81	34	17
				95.8%	55.3%	53.4%	40.8%	5.1%	2.9%	1.1%	0.9%	0.7%	0.5%	0.2%	0.2%	0.2%	0.0%	0.0%	0.0%

Note: A single comment can address multiple categories, so the sum of the comments will exceed the total number of comments received.

Comment Category	Explanation of Comment Category.
Oppose Closure	Oppose closure in any form.
Long Travel Distances	Long travel distances/time and lack of public transportation.
Delays / Quality of Care	Concerns about delays in getting care and/or the quality of care provided.
Oppose Reduction Services	Oppose reduction of services / change of mission.
Unfair Process	Concerns about CARES process being unfair / politics as usual or Federal Budget Priorities are wrong.
Put a CBOC Near Me	Request for a new medical facility to be built in a specific location.
Economic Impact	Local community economic impacts due to mission change / closure.
Land Use	Use of land if mission changes.
Long-Term Care	Concerns about impacts to long term care mission.
Compliments	Compliments for VA / Quality of Care Provided / Caregivers / CARES Process.
Psychiatry	Concerns about impacts to both psych inpatient and outpatient services.
Parking/Infrastructure	Concerns about insufficient parking and/or building infrastructure inadequacies.
Employee Concerns	Concerns about how this will impact employees and how they will be able to deliver care in new environment.
Miscellaneous / Other	Other comments that do not fit any other category.
Affiliate Impact	Concerns about affiliates and how mission changes will reduce teaching opportunities.
Spinal Cord Injury/Disorder	Concerns about impacts to the SCID mission.
Blind Rehabilitation	Concerns about impacts to the blind rehabilitation programs.

Appendix D

Data Tables

VISN 1, VA New England Health Care System

CARES Workload Projections – Inpatient

The following projections for fiscal year (FY) 2012 and FY 2022 were generated using the Capital Asset Realignment for Enhanced Services (CARES) model using the baseline information from FY 2001.

Inpatient Care	FAR NORTH Togus, ME			NORTH White River Junction, VT		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	15	46	37	23	44	36
Surgery	7	14	11	14	15	12
Psychiatry	17	36	27	12	23	17

Inpatient Care	WEST West Haven, Newington, CT Northampton, MA			EAST West Roxbury, Boston, Bedford, Brockton, MA Providence, RI		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	55	95	69	92	180	138
Surgery	29	37	26	61	86	65
Psychiatry	170	175	152	318	306	278

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Outpatient Care	FAR NORTH Togus, ME			NORTH White River Junction, VT		
	Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	89k	140k	113k	129k	157k	129k
Specialty Care	64k	151k	130k	92k	165k	143k
Mental Health	48k	66k	49k	40k	62k	47k

Outpatient Care	WEST West Haven, Newington, CT Northampton, MA			EAST West Roxbury, Boston, Bedford, Brockton, MA Providence, RI		
	Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	192k	266k	200k	291k	448k	344k
Specialty Care	158k	290k	228k	285k	499k	404k
Mental Health	184k	185k	184k	380k	384k	379k

Mission Change**Campus Realignment – Bedford and Jamaica Plain VAMCs****WORKLOAD**

Facility	Services	Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
Bedford	Intermediate	0	16.69	0	0	0
	Psychiatry	117	98.35	96.82	101.62	100.3
	Inpatient Total	117	115.04	96.82	101.62	100.3
	VA Dom	40	35.09	37.91	39.67	37.33
	VA Nurs Home	304	264.08	270.76	259.95	235.23
Boston	Internal Med	99	72.84	54.17	61.92	69.68
	Neurology	6	3	2.24	2.73	2.26
	Rehab Med	4	3.48	2.26	1.28	2.16
	Spinal Cord	58	40.05	37.66	43.95	41.78
	Intermediate	74	56.16	62.48	64.62	40
	Surgery	51	42.14	32.15	34.05	30.22
	Psychiatry	189	152.09	146.91	191.19	103.86
	Inpatient Total	481	369.75	337.87	399.76	289.95
	VA Dom	70	72.58	75.77	83.75	86.21
	VA Nurs Home	120	101.61	104.19	112.28	105.82
Manchester	Internal Med	0	0.48	0	0	0
	Intermediate	0	17.12	21.47	5.86	0
	Inpatient Total	0	17.59	21.47	5.86	0
	VA Nurs Home	112	107.3	89.55	79.73	69.85
Northampton	Internal Med	8	3.6	3.49	4.14	3.81
	Intermediate	10	6.12	7.73	0	0
	Psychiatry	124	113.15	113.7	114.43	90.49
	Inpatient Total	142	122.87	124.92	118.57	94.3
	VA Dom	0	1	3.28	1.34	1.19
	VA Nurs Home	55	52.83	54.33	63.05	58.82
West Haven	Internal Med	44	34.15	37.08	37.16	38.26
	Neurology	2	2.02	1.42	2.41	1.39
	Blind Rehab	34	27.07	25.64	26.26	21.73
	Intermediate	8	0	2.73	3.07	0.47
	Surgery	21	18.74	20.41	18.25	19.93
	Psychiatry	42	37.59	36.9	34.62	28.08
	Inpatient Total	151	119.58	124.18	121.76	109.87
	VA Dom	0	0	0.96	0	0
	VA Nurs Home	40	27.68	26.77	30.04	26.3

* ADC = Average Daily Census

ACCESS TO VA CARE

The nearest VAMC to Bedford is West Roxbury, which is within 30 minutes of Bedford. For Jamaica Plain, the nearest VAMC is West Roxbury, which is within 30 minutes of Jamaica Plain.

COMMUNITY ALTERNATIVES

N/A

QUALITY OF CARE¹*Medicine*

	# Bedford Better than National Average for FY 2002	# Boston Better than National Average for FY 2002 ²	# Manchester Better than National Average for FY 2002	# Northampton Better than National Average for FY 2002
Cancer screening – colorectal	1/1	1/1	1/1	1/1
Diabetes	4/6	6/6	4/6	6/6
Hepatitis C – primary care	2/2	2/2	2/2	2/2
Heart Failure – inpatient	No data	0/1	1/1	1/1
Hypertension	2/2	2/2	2/2	2/2
Ischemic heart disease	2/3	3/3	3/3	2/3
Tobacco cessation – primary care	2/3	2/3	3/3	3/3
Total	13/17	16/18	16/18	17/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

- ▶ *Low Outlier:* Facility is experiencing fewer adverse events in major surgical procedures than would be expected from severity of illness of their patients.
- ▶ *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients

Facility	Sample Size	Mortality	Morbidity
Bedford	No surgery	–	–
Brockton	No surgery	–	–
West Roxbury	1,860	Normal	Low Outlier
Manchester	121	Insuff. Data	Insuff. Data
Northampton	No surgery	–	–
Jamaica Plain	No surgery	–	–

¹ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 3, 2003.

² Boston Quality of Care data includes data from Brockton, Jamaica Plain, and West Roxbury VAMCs.

COSTS***Inpatient***

Facility	Cost Per Day ³				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Bedford			\$470	\$215	\$320
Jamaica Plain	\$2,195	\$20,720	\$1,374	\$0	\$0
West Roxbury	\$1,405	\$2,798	\$1,057	\$0	\$0
Brockton	\$814	\$2,522	\$522	\$203	\$330
Manchester	\$431			\$0	\$414
Northampton	\$850		\$413	\$77	\$329

Outpatient

Facility	Clinic Costs Per Encounter ⁴		
	Primary Care	Medicine/Surgery/ Specialty Care	Mental Health
Bedford	\$136	\$198	\$56
Jamaica Plain	\$123	\$290	\$184
West Roxbury	\$81	\$347	\$66
Brockton	\$123	\$187	\$68
Manchester	\$124	\$173	\$102
Northampton	\$220	\$96	\$63

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ⁵						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Bedford	\$0	\$0	\$0	\$0	\$8,789	\$4,148	\$3,583
Jamaica Plain	\$9,827	\$7,991	\$204,825	\$6,579	\$10,528	\$3,840	\$9,650
West Roxbury	\$8,873	\$6,896	\$21,157	\$14,067	\$18,001	\$4,141	\$12,084
Brockton	\$37,218	\$19,061	\$38,253	\$27,757	\$9,176	\$3,888	\$3,819
Manchester	\$12,627	\$11,560	\$0	\$0	\$0	\$0	\$0
Northampton	\$3,908	\$5,028	\$0	\$0	\$14,325	\$3,598	\$3,022

³ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.⁴ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.⁵ DSS Costs adjusted to remove depreciation and National/VISN Overhead.

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)⁶

Satisfaction Score	Bedford	Boston	Manchester	Northampton	VHA
Inpatient overall quality (mean)	70	72	No data	79	74
Outpatient overall quality (mean)	82	77	81	73	73

⁶ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPm.html, November 5, 2003.

VISN 2, VA Health Care Network Upstate New York

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Inpatient Care	EASTERN Albany			CENTRAL Syracuse		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	37	56	37	61	65	42
Surgery	21	21	14	32	24	16
Psychiatry	27	46	36	17	29	19

Inpatient Care	FINGER LAKES/SOUTHERN Canandaigua Bath			WESTERN West NY HCS Buffalo/Batavia		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	15	23	15	64	75	50
Surgery	1	1	1	35	34	22
Psychiatry	68	70	61	50	55	43

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Outpatient Care	EASTERN Albany			CENTRAL Syracuse		
	Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	120k	144k	108k	133k	160k	120k
Specialty Care	73k	158k	123k	89k	168k	127k
Mental Health	76k	75k	75k	43k	43k	43k

Outpatient Care	FINGER LAKES/SOUTHERN Canandaigua Bath			WESTERN West NY HCS Buffalo/Batavia		
	Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	86k	143k	109k	144k	169k	128k
Specialty Care	42k	116k	89k	133k	161k	123k
Mental Health	135k	132k	132k	87k	87k	87k

Mission Change

Canandaigua, New York

WORKLOAD

Facility Name	Service	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
Canandaigua Division	Psychiatry	88	62.1	62.12	56.78	47.8
	Inpatient Total	88	62.1	62.12	56.78	47.8
	VA Dom	50	33.86	29.2	37.62	33.11
	VA Nurs Home	138	89.22	86.22	96.48	77.65

* ADC = Average Daily Census

ACCESS TO VA CARE

There is no VAMC within 60 minutes of Canandaigua.

COMMUNITY ALTERNATIVES⁷

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care	JCAHO Accredited
30	Thompson Health	Canandaigua	NY	301	237	Yes	Yes	Yes
30	Clifton Springs Hospital	Clifton Springs	NY	262	161	Yes	Yes	Yes
30	Geneva General Hospital	Geneva	NY	132	55	Yes	Yes	Yes
60	Auburn Memorial Hospital	Auburn	NY	243	178	Yes	Yes	Yes
60	Nicholas H. Noyes Memorial Hospital	Dansville	NY	50	N/A	No	No	Yes
60	Newark-Wayne Community Hospital	Newark	NY	300	224	Yes	Yes	Yes
60	Soldiers and Sailors Memorial Hospital of Yates County	Penn Yan	NY	198	163	Yes	Yes	Yes
60	Highland Hospital of Rochester	Rochester	NY	212	N/A	No	No	Yes
60	Park Ridge Hospital	Rochester	NY	441	152	Yes	Yes	Yes
60	Rochester General Hospital	Rochester	NY	528	413	Yes	Yes	Yes
60	Rochester Psychiatric Center	Rochester	NY	180	178	Yes	Yes	Yes
60	Strong Memorial Hospital of the University of Rochester	Rochester	NY	691	615	Yes	Yes	Yes

QUALITY OF CARE⁸***Medicine***

	Better than National Average for FY 2002
Cancer screening – colorectal	1/1
Diabetes	6/6
Hepatitis C – primary care	2/2
Heart Failure – inpatient	No data
Hypertension	2/2
Ischemic heart disease	3/3
Tobacco cessation – primary care	2/3
Total	16/17

⁷ VSSC Spreadsheets and George Washington University (GWU) Analyses regarding non-VA facilities. [Data were compiled by GWU based on published reports of the American Hospital Association for the years 1999 and 2003. These data are self reports of hospitals to AHA and as such may be subject to error. For example, programs may close within a hospital or licensed beds may change from year to year. Because of time requirements of the data request, GWU accepted the AHA report to have met the scrutiny of AHA and therefore to be valid. A sample of hospitals was not called to check the validity of the reported data. To measure the reliability of the GWU abstraction process, a 25 percent random sample of the cases were selected for a comparison abstraction and 94 percent of the data were found to be identical. With this high percentage the researchers at GWU School of Public Health and Health Services are confident that the abstraction method also yielded reliable results.]

⁸ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

There is no surgery outcome rating for Canandaigua.

Facility	Sample Size	Mortality	Morbidity
Canandaigua	No surgery	–	–

COSTS***Inpatient***

Facility	Cost Per Day ⁹				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Canandaigua			\$584	\$209	\$365

Outpatient

Facility	Clinic Costs Per Encounter ¹⁰		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Canandaigua	\$190	\$183	\$53

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹¹						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Canandaigua	\$0	\$0	\$0	\$0	\$20,633	\$4,542	\$7,681

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹²

Satisfaction Score	Canandaigua	VHA
Inpatient overall quality (mean)	81	74
Outpatient overall quality (mean)	82	73

⁹ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

¹⁰ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

¹¹ DSS Costs adjusted to remove depreciation and National/VISN Overhead.

¹² Data downloaded from http://vawww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

VISN 3, the New York/New Jersey Integrated Service Network

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

	LONG ISLAND Northport			METRO NY Hudson Valley HCS (Montrose, Castle Point) Bronx New York Harbor HCS (New York, Brooklyn, St. Albans)			NEW JERSEY New Jersey HCS (East Orange, Lyons)		
	<i>Beds</i>			<i>Beds</i>			<i>Beds</i>		
Inpatient Care	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	58	70	48	216	251	172	63	116	84
Surgery	27	21	15	94	94	64	22	36	26
Psychiatry	142	149	138	201	222	171	154	195	174

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

	LONG ISLAND Northport			METRO NY Hudson Valley HCS (Montrose, Castle Point) Bronx New York Harbor HCS (New York, Brooklyn, St. Albans)			NEW JERSEY New Jersey HCS (East Orange, Lyons)		
	<i>Stops</i>			<i>Stops</i>			<i>Stops</i>		
Outpatient Care	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	89k	163k	116k	369k	531k	381k	138k	258k	192k
Specialty Care	105k	213k	153k	412k	581k	429k	127k	312k	239k
Mental Health	103k	N/A	N/A	336k	N/A	N/A	131k	N/A	N/A

Mission Change

Campus Realignment – St. Albans, New York

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
St. Albans	VA Dom	0	7.81	46.98	47.43	43.38
	VA Nurs Home	0	13.52	169.68	171.5	158.56

* ADC = Average Daily Census

ACCESS TO VA CARE

The next nearest VAMC are in the Bronx, New York, and Brooklyn. They are within 30 minutes of St. Albans.

COMMUNITY ALTERNATIVES

Community alternatives were not explored in cases of realignment only.

QUALITY OF CARE¹³

Note: New York Harbor Healthcare System quality of care data includes data for Manhattan, Brooklyn and St. Albans.

Medicine

	# New York Harbor Better than National Average for FY 2002
Cancer screening – colorectal	1/1
Diabetes	4/6
Hepatitis C – primary care	2/2
Heart Failure – inpatient	1/1
Hypertension	2/2
Ischemic heart disease	3/3
Tobacco cessation – primary care	3/3
Total	16/18

¹³ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

Surgery

No surgery is performed at St. Albans.

COSTS***Inpatient***

Facility	Cost Per Day ¹⁴				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
St. Albans				\$244	\$272

Outpatient

Facility	Clinic Costs Per Encounter ¹⁵		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
St. Albans	\$175	\$77	\$105

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹⁶						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
St. Albans	\$3,507	\$5,462	\$0	\$0	\$0	\$0	\$0

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)^{17,18}

Satisfaction Score	NY Harbor HCS	VHA
Inpatient overall quality (mean)	68	74
Outpatient overall quality (mean)	67	73

¹⁴ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

¹⁵ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

¹⁶ DSS Costs adjusted to remove depreciation and National/VISN Overhead.

¹⁷ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

¹⁸ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

Mission Change

Small Facility – Castle Point and Montrose, New York

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
Castle Point	Internal Med	8.1	7.23	7.34	8.19	8.13	10.00	13.00
	Spinal Cord	10.8	15.17	10.87	13.64	12.15		
	Intermediate	6.5	10.10	9.34	8.85	8.06		
	Inpatient Total	25.4	32.49	27.55	30.67	28.34		
	VA Nurs Home	52.9	92.60	71.56	65.43	59.92		
Montrose	Psychiatry	105	127.08	68.58	56.42	49.78		
	Inpatient Total	126.6	127.08	68.58	56.42	49.78		
	VA Dom	148	104.51	131.46	113.85	80.36		
	VA Nurs Home	244.1	106.73	96.55	93.51	79.42		

* ADC = Average Daily Census

ACCESS TO VA CARE

Of 296 Zip codes around Castle Point, three Zip codes are within 60 minutes of Albany, 12 are within 60 minutes of Bronx, five are within 60 minutes of New Jersey HCS, and 13 are within 60 minutes of West Haven.

COMMUNITY ALTERNATIVES¹⁹

According to data provided, there are 19 medical centers with JCAHO accreditation.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	St. Luke's-Cornwall Hospital	Newburgh	NY	184	126	yes	yes
30	Hudson River Psychiatric Center	Poughkeepsie	NY	460	N/A	yes	no
30	Saint Francis Hospital	Poughkeepsie	NY	314	253	yes	yes
30	Vassar Brothers Medical Center	Poughkeepsie	NY	252	188	yes	no
60	Danbury Hospital	Danbury	CT	284	169	yes	yes
60	Benedictine Hospital	Kingston	NY	222	N/A	yes	no
60	Kingston Hospital	Kingston	NY	140	N/A	yes	no
60	Middletown Psychiatric Center	Middletown	NY	205	214	yes	yes
60	Orange Regional Medical Center/ Horton Campus	Middletown	NY	168	157	yes	no
60	New Milford Hospital	New Milford	CT	62	36	yes	no
60	Rockland Psychiatric Center	Orangeburg	NY	470	399	yes	yes
60	Rockland Children's Psychiatric Ctr.	Orangeburg	NY	54	N/A	yes	no
60	Stony Lodge Hospital	Ossining	NY	61	58	yes	yes
60	Bon Secours Community Hospital	Port Jervis	NY	187	114	yes	yes
60	Northern Dutchess Hospital	Rhinebeck	NY	68	38	yes	no
60	Westchester Medical Center	Valhalla	NY	1,040	925	yes	yes
60	Blythedale Children's Hospital	Valhalla	NY	92	76	yes	yes
60	St. Anthony Community Hospital	Warwick	NY	73	N/A	yes	no
60	Helen Hayes Hospital	West Haverstraw	NY	155	127	yes	yes

QUALITY OF CARE²⁰

Note: This data include quality of care data includes data for both Montrose and Castle Point.

Medicine

	# Montrose Better than National Average for FY 2002
Cancer screening – colorectal	1/1
Diabetes	6/6
Hepatitis C – primary care	2/2
Heart Failure – inpatient	1/1
Hypertension	2/2
Ischemic heart disease	1/3
Tobacco cessation – primary care	3/3
Total	16/18

¹⁹ Please see Footnote 7 on page D-9.

²⁰ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/epwp.htm>, November 4, 2003.

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome ratings are defined as:

Facility	Sample Size	Mortality	Morbidity
Castle Point	107	Insuff. Data	Insuff. Data
Montrose	No surgery	–	–
St. Albans	No surgery	–	–

COSTS***Inpatient***

Facility	Cost Per Day ²¹				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Montrose	\$8,524		\$568	\$0	\$476
Castle Point	\$878		\$786	\$0	\$532

Outpatient

Facility	Clinic Costs Per Encounter ²²		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Montrose	\$146	\$211	\$269
Castle Point	\$157	\$173	\$60

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ²³						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Montrose	\$0	\$0	\$0	\$0	\$20,021	\$4,214	\$4,670
Castle Point	\$10,750	\$6,295	\$0	\$0	\$18,820	\$4,507	\$3,986

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)²⁴

Satisfaction Score	Montrose	Castle Point	VHA
Inpatient overall quality (mean)	78	80	74
Outpatient overall quality (mean)	77	No data	73

²¹ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

²² DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

²⁴ DSS Costs adjusted to remove depreciation and National/VISN Overhead.

²⁵ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

VISN 4, VA Stars and Stripes Health Care Network

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Inpatient Care	EASTERN Philadelphia, Coatesville, Lebanon, Wilkes-Barre, PA Wilmington, DE			WESTERN Pittsburgh HCS, Altoona, Butler, Erie, PA Clarksburg, WV		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	148	194	150	135	162	117
Surgery	60	61	47	59	52	37
Psychiatry	207	226	193	153	164	136

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Outpatient Care	EASTERN Philadelphia, Coatesville, Lebanon, Wilkes-Barre, PA Wilmington, DE			WESTERN Pittsburgh HCS, Altoona, Butler, Erie, PA Clarksburg, WV		
	<i>Stops</i>			<i>Stops</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	392k	588k	466k	370k	375k	284k
Specialty Care	346k	752k	619k	289k	413k	321k
Mental Health	287k	287k	286k	159k	161k	159k

Mission Change

Campus Realignment – Pittsburgh's Highland Drive Division

WORKLOAD

Data specific to the Heinz Division was not found.

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
Pittsburgh- University Drive	Internal Med	83	59.09	56.27	59.2	55.84
	Neurology	4	2.75	2.11	1.66	1.71
	Intermediate	0	59.8	20.23	0	0
	Surgery	59	37.81	37.26	39.53	36.04
	Psychiatry	145	0	0	0	0
	Inpatient Total	291	159.45	115.87	100.38	93.59
	VA Dom	65	0	0	0	0
	VA Nurs Home	336	218.39	262.95	279.02	260.74
Pittsburgh- Highland Drive	Intermediate	0	17.31	11.6	0	0
	Psychiatry	0	111.26	108.25	102.96	91.43
	Inpatient Total	0	128.58	119.85	102.96	91.43
	VA Dom	0	62.01	59.74	61.5	57.59

* ADC = Average Daily Census

ACCESS TO VA CARE

The Pittsburgh Healthcare System consists of three divisions: University Drive, Heinz, and Highland Drive.

COMMUNITY ALTERNATIVES

N/A

QUALITY OF CARE²⁵

Note: Pittsburgh quality of care data includes data for all Pittsburgh campuses (Highland Drive, University, and Heinz).

²⁵ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

Medicine

	# Pittsburgh Better than National Average for FY 2002
Cancer screening – colorectal	1/1
Diabetes	2/6
Hepatitis C – primary care	2/2
Heart Failure – inpatient	1/1
Hypertension	2/2
Ischemic heart disease	3/3
Tobacco cessation – primary care	3/3
Total	14/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs. The outcome ratings are defined as:

- *Low Outlier*: Facility is experiencing fewer adverse events in major surgical procedures than would be expected from severity of illness of their patients.
- *Normal*: Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients

Facility	Sample Size	Mortality	Morbidity
University Drive	1,348	Low Outlier	Normal
Highland Drive	No Surgery		
Heinz	No Surgery		

COSTS***Inpatient***

Facility	Cost Per Day ²⁶				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
University Drive	\$1,478	\$2,718	\$774	\$0	\$299
Heinz (Aspinwall)				\$0	\$367

²⁶ VA Costs per day adjusted to remove depreciation and National/VISN Overhead.

Outpatient

Facility	Clinic Costs Per Encounter ²⁷		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
University Drive	\$124	\$227	\$119
Heinz (Aspinwall)	\$0	\$280	\$0

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ²⁸						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
University Drive	\$7,450	\$6,545	\$21,332	\$12,278	\$20,054	\$5,052	\$7,904
Heinz (Aspinwall)	\$0	\$0	\$0	\$0	\$0	\$0	\$0

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)²⁹

Satisfaction Score	University Drive	Highland Drive	Heinz	VHA
Inpatient overall quality (mean)	75	54	No data	74
Outpatient overall quality (mean)	71	75	81	73

²⁷ VA Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

²⁸ VA Costs adjusted to remove depreciation and National/VISN Overhead.

²⁹ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

Mission Change

Small Facilities – Butler, Erie and Altoona VAMCs

WORKLOAD

Facility	Services	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	2012 Projected Beds	2022 Projected Beds
Altoona	Internal Med	12.72	16.00	21.59	17.00	19.00	13.00
	Inpatient Total	12.72	16.00	21.59	17.00		
	VA Nurs Home	33.61	37.98	38.33	30.92		
Erie	Internal Med	10.44	10.28	10.86	8.96	14.00	10.00
	Intermediate	11.08					
	Surgery	3.98	3.36	2.77	2.33		
	Inpatient Total	25.49	13.64	13.62	11.29		
Butler	VA Nurs Home	12.11	39.88	33.36	37.12	11.00	8.00
	Internal Med	2.30	3.59	3.71	3.38		
	Inpatient Total	2.30	3.59	3.71	3.38		
	VA Dom	38.43	49.31	49.37	45.41		
	VA Nurs Home	62.37	73.52	71.88	60.35		

* ADC = Average Daily Census

ACCESS TO VA CARE

Butler: Of 227 Zip codes around Butler; six are within 60 minutes of Highland Drive Division, 11 are within 60 minutes of Heinz (Aspinwall), and 34 are within 60 minutes of University Drive Division.

COMMUNITY ALTERNATIVES

Butler: According to data provided³⁰, there are four non-VA medical centers with JCAHO accreditation that are within 30 or 60 minutes of Butler VAMC.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	Butler Health System	Butler	PA	239	146	yes	yes
60	The Medical Center	Beaver	PA	N/A	N/A	yes	no
60	Jameson Hospital	New Castle	PA	160	103	yes	yes
60	Sharon Regional Health System	Sharon	PA	234	126	yes	yes

³⁰ Please see Footnote 7 on page D-9.

ACCESS TO VA CARE

Erie: Of 124 Zip codes around Erie, three are within 60 minutes of Butler, one is within 60 minutes of Cleveland-Wade Park, and four are within 60 minutes of Upstate New York HCS.

COMMUNITY ALTERNATIVES

Erie: According to data provided³¹, there are four non-VA medical centers with JCAHO accreditation that are within 30 or 60 minutes of Erie VAMC.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	Hamot Medical Center	Erie	PA	375	210	yes	yes
30	Healthsouth Rehabilitation Hospital of Erie	Erie	PA	108	N/A	yes	no
30	St. Vincent Health Center	Erie	PA	450	245	yes	yes
30	Shriners Hospitals for Children	Erie	PA	30	11	yes	no

ACCESS TO VA CARE

Altoona: Of 184 Zip codes around James E. Van Zandt VA (Altoona); 2 are within 60 minutes of Martinsburg and 3 are within 60 minutes of Pittsburgh HCS (Aspinwall).

COMMUNITY ALTERNATIVES

Altoona: According to data provided³², there are 11 non-VA medical centers with JCAHO accreditation that are within 30 or 60 minutes of Altoona VAMC.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	Altoona Center	Altoona	PA	138	N/A	yes	yes
30	Altoona Hospital	Altoona	PA	172	160	yes	yes
30	Bon Secours/Holy Family Regional Health System	Altoona	PA	167	107	yes	yes
30	Healthsouth Rehabilitation Hospital of Altoona	Altoona	PA	70	N/A	yes	no
30	Nason Hospital	Roaring Spring	PA	40	N/A	yes	no
30	Tyrone Hospital	Tyrone	PA	52	N/A	yes	no
60	Saint Lukes Miner's Memorial Hospital	Coaldale	PA	98	72	yes	no
60	UPMC Bedford Memorial Hospital	Everett	PA	27	18	yes	yes
60	J.C. Blair Memorial Hospital	Huntingdon	PA	104	50	yes	yes
60	Conemaugh Memorial Medical Center	Johnstown	PA	339	270	yes	yes
60	UPMC Lee Regional	Johnstown	PA	212	131	yes	yes

³¹ Please see Footnote 7 on page D-9.

³² Please see Footnote 7 on page D-9.

QUALITY OF CARE³³*Medicine*

	# Butler Better than National Average for FY 2002	# Erie Better than National Average for FY 2002	# Altoona Better than National Average for FY 2002
Cancer screening – colorectal	0/1	1/1	1/1
Diabetes	5/6	3/6	4/6
Hepatitis C – primary care	2/2	1/2	2/2
Heart Failure – inpatient	1/1	1/1	0/1
Hypertension	0/2	0/2	2/2
Ischemic heart disease	2/3	2/3	1/3
Tobacco cessation – primary care	3/3	2/3	2/3
Total	13/18	10/18	12/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome ratings is defined as:

- *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients.

Facility	Sample Size	Mortality	Morbidity
Altoona*	161	Insuff. Data	Insuff. Data
Erie*	707	Normal	Normal
Butler	No Surgery		

* Facility has insufficient number of major surgical cases in any one year for reliable risk adjustment, so 3 fiscal years are combined (FY 2000 – FY 2002).

COSTS

*BUTLER**Inpatient*

Facility	Cost Per Day ³⁴				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Butler	\$2,614	\$0	\$0	\$0	\$451

³³ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

³⁴ VA Costs per day adjusted to remove depreciation and National/VISN Overhead.

Outpatient

Facility	Clinic Costs Per Encounter ³⁵		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Butler	\$207	\$95	\$51

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ³⁶						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Butler	\$7,820	\$5,842	\$0	\$0	\$0	\$0	\$0

*ERIE**Inpatient*

Facility	Cost Per Day ³⁷				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Erie	\$1,121	\$1,550	\$0	\$0	\$741

Outpatient

Facility	Clinic Costs Per Encounter ³⁸		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Erie	\$101	\$151	\$317

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ³⁹						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Erie	\$4,787	\$5,603	\$7,838	\$7,579	\$0	\$0	\$0

³⁵ VA Costs per clinic adjusted to remove depreciation and National/VISN Overhead.³⁶ VA Costs adjusted to remove depreciation and National/VISN Overhead.³⁷ VA Costs per day adjusted to remove depreciation and National/VISN Overhead.³⁸ VA Costs per clinic adjusted to remove depreciation and National/VISN Overhead.³⁹ VA Costs adjusted to remove depreciation and National/VISN Overhead.

APPENDIX D – DATA TABLES

ALTOONA

Inpatient

Facility	Cost Per Day ⁴⁰				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Altoona	\$767	\$0	\$0	\$0	\$438
National Average	\$1,121	\$2,172	\$624	\$194	\$384

Outpatient

Facility	Clinic Costs Per Encounter ⁴¹		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Altoona	\$139	\$157	\$130

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ⁴²						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Altoona	\$4,539	\$5527	\$0	\$0	\$0	\$0	\$0

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)⁴³

Satisfaction Score	Butler	Erie	Altoona	VHA
Inpatient overall quality (mean)	83	83	78	74
Outpatient overall quality (mean)	80	82	82	73

⁴⁰ VA Costs per day adjusted to remove depreciation and National/VISN Overhead.

⁴¹ VA Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

⁴² VA Costs adjusted to remove depreciation and National/VISN Overhead.

⁴³ Data downloaded from vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM, November 5, 2003.

VISN 5, VA Capitol Health Care Network

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

	MARTINSBURG Martinsburg			BALTIMORE Baltimore Perry Point Fort Howard (closed)			WASHINGTON Washington		
	<i>Beds</i>			<i>Beds</i>			<i>Beds</i>		
Inpatient Care	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	39	49	41	105	105	82	84	103	94
Surgery	5	7	6	35	37	29	32	41	37
Psychiatry	21	30	23	261	257	230	24	34	24

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

	MARTINSBURG Martinsburg			BALTIMORE Baltimore Perry Point Fort Howard (closed)			WASHINGTON Washington		
	<i>Stops</i>			<i>Stops</i>			<i>Stops</i>		
Outpatient Care	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	105k	149k	132k	159k	205k	168k	132k	199k	184k
Specialty Care	65k	132k	124k	127k	248k	215k	124k	266k	266k
Mental Health	41k	56k	50k	157k	N/A	N/A	140k	N/A	N/A

Mission Change

Campus Realignment – Perry Point, Maryland

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
Perry Point	Internal Med	14	8.69	9.35	12.88	7.09
	Intermediate	67	43.44	42.13	40.14	44.24
	Psychiatry	214.3	174.63	183.16	169.11	146.77
	Inpatient Total	295.3	226.75	234.64	222.13	198.11
	VA Dom	50	0	0	0	0
	VA Nurs Home	130	77.09	77.8	82.28	112.3

* ADC = Average Daily Census

ACCESS TO VA CARE

The nearest VAMC are in Wilmington and Baltimore. They are within 60 minutes of Perry Point.

COMMUNITY ALTERNATIVES

Community alternatives were not explored in cases of realignment only.

QUALITY OF CARE⁴⁴

Note: Baltimore quality of care data includes data for Baltimore and Perry Point.

Medicine

	# Baltimore Better than National Average for FY 2002
Cancer screening – colorectal	1/1
Diabetes	1/6
Hepatitis C – primary care	1/2
Heart Failure – inpatient	1/1
Hypertension	1/2
Ischemic heart disease	1/3
Tobacco cessation – primary care	3/3
Total	9/18

⁴⁴ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprr.htm>, November 4, 2003.

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

No inpatient surgery is performed at Perry Point.

Facility	Sample Size	Mortality	Morbidity
Perry Point	No Surgery	–	–

COSTS***Inpatient***

Facility	Cost Per Day ⁴⁵				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Perry Point	\$1,321	\$1,314	\$613	\$709	\$300

Outpatient

Facility	Clinic Costs Per Encounter ⁴⁶		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Perry Point	\$154	\$181	\$66

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ⁴⁷						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Perry Point	\$17,536	\$10,903	\$0	\$0	\$13,602	\$3,963	\$4,991

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)⁴⁸

Satisfaction Score	Baltimore	Perry Point	VHA
Inpatient overall quality (mean)	72	73	74
Outpatient overall quality (mean)	64	76	73

⁴⁵ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

⁴⁶ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

⁴⁷ DSS Costs adjusted to remove depreciation and National/VISN Overhead.

⁴⁸ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

VISN 6, Mid-Atlantic Health Care Network

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Inpatient Care	NORTHEAST Hampton, VA Richmond, VA			NORTHWEST Beckley, WV Salem, VA		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	124	142	125	66	70	49
Surgery	55	59	52	17	24	17
Psychiatry	104	94	79	129	135	123
Inpatient Care	SOUTHEAST Durham, NC Fayetteville, NC			SOUTHWEST Asheville, NC Salisbury, NC		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	112	163	142	67	119	101
Surgery	48	75	67	28	45	39
Psychiatry	49	85	73	206	213	199

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Outpatient Care	NORTHEAST Hampton, VA Richmond, VA			NORTHWEST Beckley, WV Salem, VA		
	Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	177k	316k	294k	145k	163k	125k
Specialty Care	207k	365k	373k	140k	172k	144k
Mental Health	119k	164k	138k	67k	69k	68k

Outpatient Care	SOUTHEAST Durham, NC Fayetteville, NC			SOUTHWEST Asheville, NC Salisbury, NC		
	Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	206k	366k	343k	196k	295k	272k
Specialty Care	172k	360k	358k	125k	287k	281k
Mental Health	53k	155k	137k	71k	144k	128k

Mission Change

Beckley, West Virginia

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
Beckley	Internal Med	26	27.73	25.78	20.05	15.17	15.00	11.00
	Intermediate	12	7.18	7.54	6.26	4.31		
	Surgery	2	0.72	0.42	0.47	0.80		
	Inpatient Total	40	35.63	33.73	26.78	20.28		
	VA Nurs Home	50	45.88	44.89	43.29	35.62		

* ADC = Average Daily Census

ACCESS TO VA CARE

Of 253 Zip codes around Beckley, only four are within 60 minutes of Salem.

COMMUNITY ALTERNATIVES⁴⁹

According to data provided, there are 11 medical centers that are JCAHO accredited within 60 minutes of Beckley.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	Beckley Appalachian Regional Hospital	Beckley	WV	173	127	yes	yes
30	Raleigh General Hospital	Beckley	WV	237	140	yes	no
30	Plateau Medical Center	Oak Hill	WV	74	26	yes	yes
60	Montgomery Regional Hospital	Blacksburg	VA	89	60	yes	no
60	Bluefield Regional Medical Center	Bluefield	WV	265	118	yes	no
60	St. Luke's Hospital	Bluefield	WV	60	23	yes	no
60	Charleston Area Medical Center	Charleston	WV	765	523	yes	yes
60	Eye and Ear Clinic of Charleston	Charleston	WV	24	1	no	no
60	Montgomery General Hospital	Montgomery	WV	99	53	yes	yes
60	Health South Southern Hills Rehabilitation Hospital	Princeton	WV	60	48	yes	yes
60	Princeton Community Hospital	Princeton	WV	191	137	yes	yes

QUALITY OF CARE⁵⁰***Medicine***

	# Beckley Better than National Average for FY 2002
Cancer screening – colorectal	1/1
Diabetes	5/6
Hepatitis C – primary care	2/2
Heart Failure – inpatient	1/1
Hypertension	2/2
Ischemic heart disease	1/3
Tobacco cessation – primary care	2/3
Total	14/18

⁴⁹ Please see Footnote 7 on page D-9.

⁵⁰ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

SURGERY

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome ratings are defined as:

- *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients

Facility	Sample Size	Mortality	Morbidity
Beckley ⁵¹	446	Normal	Normal

COSTS*Inpatient*

Facility	Cost Per Day ⁵²				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Beckley	\$1,017	\$1,991		\$0	\$425

Outpatient

Facility	Clinic Costs Per Encounter ⁵³		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Beckley	\$127	\$143	\$55

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ⁵⁴						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Beckley	\$5,640	\$5,456	\$8,374	\$7,905	\$0	\$0	\$0

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)⁵⁵

Satisfaction Score	Beckley	VHA
Inpatient overall quality (mean)	77	74
Outpatient overall quality (mean)	72	73

⁵¹ Facility has insufficient number of major surgical cases in any one year for reliable risk adjustment, so 3 fiscal years are combined (FY 2000 – FY 2002).

⁵² DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

⁵³ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

⁵⁴ DSS Costs adjusted to remove depreciation and National/VISN Overhead.

⁵⁵ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

VISN 7, Atlanta Network

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

	ALABAMA CAVHCS (Montgomery, Tuskegee) Birmingham Tuscaloosa			GEORGIA Atlanta Augusta Dublin			SOUTH CAROLINA Columbia Charleston		
	<i>Beds</i>			<i>Beds</i>			<i>Beds</i>		
Inpatient Care	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	116	193	156	170	202	188	101	141	124
Surgery	44	73	59	83	78	73	48	53	47
Psychiatry	183	207	187	145	164	145	30	53	42

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

	ALABAMA CAVHCS (Montgomery, Tuskegee) Birmingham Tuscaloosa			GEORGIA Atlanta Augusta Dublin			SOUTH CAROLINA Columbia Charleston		
	<i>Stops</i>			<i>Stops</i>			<i>Stops</i>		
Outpatient Care	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	290k	393k	340k	289k	467k	439k	258k	310k	278k
Specialty Care	200k	387k	355k	287k	535k	546k	193k	387k	374k
Mental Health	148k	150k	148k	220k	277k	240k	94k	151k	126k

Mission Change

Augusta, Georgia

WORKLOAD

Workload data for August Uptown Division and Downtown Division are combined.

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
Augusta	Internal Med	58	41.06	42.28	42.28	40.38
	Neurology	0	2.69	2.44	0	0
	Rehab Med	10	7.39	7.2	7.47	6.13
	Blind Rehab	15	12.82	12.77	14.08	13.52
	Spinal Cord	60	40.05	46.27	45.94	42.48
	Intermediate	0	64.39	59.59	26.45	0
	Surgery	37	25.6	28.11	27.77	23.24
	Psychiatry	68	62.04	58.99	48.23	46.93
	Inpatient Total	248	256.03	257.65	212.22	172.68
	VA Dom	60	9.71	41.35	54.26	52.94
	VA Nurs Home	132	50.59	52.2	96.09	107.42

* ADC = Average Daily Census

ACCESS TO VA CARE

The nearest VAMC is Augusta (Downtown), and it is within 30 minutes of Lenwood/Uptown.

COMMUNITY ALTERNATIVES

Community alternatives were not explored in cases of realignment only.

QUALITY OF CARE⁵⁶

Data presented below include ratings for both the Uptown Division and the Downtown Division facilities.

⁵⁶ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003. Data includes both the Uptown and Downtown facilities.

Medicine

	Better than National Average for FY 2002
Cancer screening – colorectal	0/1
Diabetes	1/6
Hepatitis C – primary care	2/2
Heart Failure – inpatient	0/1
Hypertension	2/2
Ischemic heart disease	3/3
Tobacco cessation – primary care	1/3
Total	9/18

SURGERY

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs. The outcome ratings are defined as:

- ▶ *High Outlier:* Facility is experiencing more adverse events in major surgical procedures than would be expected from severity of illness of their patients.
- ▶ *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients

Facility	Sample Size	Mortality	Morbidity
Augusta Downtown	1,257	High Outlier	Normal

COSTS***Inpatient***

Facility	Cost Per Day ⁵⁷				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Augusta Downtown	\$993	\$2,021	\$436	\$241	\$317
Augusta Uptown	\$973	\$1,878	\$488	\$210	\$0

⁵⁷ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

Outpatient

Facility	Clinic Costs Per Encounter ⁵⁸		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Augusta Downtown	\$132	\$215	\$83
Augusta Uptown	\$0	\$163	\$123

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ⁵⁹						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Augusta Downtown	\$11,156	\$7,519	\$14,162	\$9,428	\$6,245	\$4,079	\$2,982
Augusta Uptown	\$22,074	\$7,513	\$18,602	\$12,105	\$4,875	\$4,507	\$1,947

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)⁶⁰

Satisfaction Score	Augusta	VHA
Inpatient overall quality (mean)	69	74
Outpatient overall quality (mean)	70	73

Mission Change

Dublin, GA

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
Dublin	Internal Med	29.00	25.04	22.88	21.80	22.02	36.00	30.00
	Intermediate	0.10	39.14	35.84	33.32			
	Surgery	4.00	3.10	2.86	3.44	2.76		
	Psychiatry	0.00	2.00					
	Inpatient Total	33.10	69.28	61.58	58.55	24.79		
	VA Dom	145.00	120.71	85.59	66.68	64.40		
	VA Nurs Home	160.90	99.79	100.26	109.59	144.64		

* ADC = Average Daily Census

⁵⁸ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.⁵⁹ DSS Costs adjusted to remove depreciation and National/VISN Overhead.⁶⁰ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

ACCESS TO VA CARE

There is only one VAMC is within 60 minutes of Lenwood (Uptown) in Augusta, GA.

COMMUNITY ALTERNATIVES⁶¹

According to data provided, there is one medical center that is JCAHO accredited within 30 minutes of the Dublin facility.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	Fairview Park Hospital	Dublin	GA	190	92	yes	no

QUALITY OF CARE⁶²***Medicine***

	Better than National Average for FY 2002
Cancer screening – colorectal	0/1
Diabetes	0/6
Hepatitis C – primary care	1/2
Heart Failure – inpatient	1/1
Hypertension	2/2
Ischemic heart disease	0/3
Tobacco cessation – primary care	3/3
Total	7/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs. The outcome ratings are defined as:

- *Low Outlier:* Facility is experiencing fewer adverse events in major surgical procedures than would be expected from severity of illness of their patients.
- *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients.

Facility	Sample Size	Mortality	Morbidity
Dublin*	480	Normal	Low Outlier

* Facility has insufficient number of major surgical cases in any one year for reliable risk adjustment, so 3 fiscal years are combined (FY 2000 – FY 2002).

⁶¹ Please see Footnote 7 on page D-9.

⁶² Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

COSTS***Inpatient***

Facility	Cost Per Day ⁶³				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Dublin	\$1,100	\$1,327		\$214	\$331

Outpatient

Facility	Clinic Costs Per Encounter ⁶⁴		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Dublin	\$113	\$199	\$78

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ⁶⁵						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Dublin	\$6,746	\$7,585	\$6,599	\$5,874	\$8,290	\$8,753	\$0

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)⁶⁶

Satisfaction Score	Dublin	VHA
Inpatient overall quality (mean)	60	74
Outpatient overall quality (mean)	67	73

⁶³ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.⁶⁴ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.⁶⁵ DSS Costs adjusted to remove depreciation and National/VISN Overhead.⁶⁶ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

Mission Change**Montgomery, Alabama****WORKLOAD**

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
Montgomery	Internal Med	63	31.99	31.78	29.49	31.04
	Neurology	0	0.61	0	0	0
	Rehab Med	10	0	0	0	0
	Surgery	10	7.3	4.62	1.37	3.26
	Psychiatry	72	8.35	0	0	0
	Inpatient Total	155	48.24	36.4	30.85	34.29
	VA Dom	43	0	0	0	2.57
	VA Nurs Home	160	3.2	0	0	0
Tuskegee	Internal Med	12	10.69	9.48	10.04	1.32
	Rehab Med	10	7.36	5.09	5.19	4.66
	Intermediate	30	19.79	20.7	7.07	0
	Psychiatry	60	53.77	44.61	33.98	30.43
	Inpatient Total	112	91.61	79.88	56.28	36.41
	VA Dom	43	29.31	30.39	34.48	32.29
	VA Nurs Home	160	129.2	120.86	134.73	147.86

* ADC = Average Daily Census

ACCESS TO VA CARE

The nearest VAMC is in Tuskegee, and it is within 60 minutes of Montgomery.

COMMUNITY ALTERNATIVES

N/A.

QUALITY OF CARE⁶⁷***Medicine***

	Better than National Average for FY 2002
Cancer screening – colorectal	0/1
Diabetes	2/6
Hepatitis C – primary care	1/2
Heart Failure – inpatient	1/1
Hypertension	0/2
Ischemic heart disease	3/3
Tobacco cessation – primary care	1/3
Total	8/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs. The outcome ratings are defined as:

- ▶ *Low Outlier:* Facility is experiencing fewer adverse events in major surgical procedures than would be expected from severity of illness of their patients.
- ▶ *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients.

Facility	Sample Size	Mortality	Morbidity
Montgomery*	616	Normal	Low Outlier

* Facility has insufficient number of major surgical cases in any one year for reliable risk adjustment, so 3 fiscal years are combined (FY 2000 – FY 2002).

⁶⁷ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

COSTS***Inpatient***

Facility	Cost Per Day ⁶⁸				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Montgomery	\$1,661	\$2,215	\$652	\$0	\$388

Outpatient

Facility	Clinic Costs Per Encounter ⁶⁹		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Montgomery	\$196	\$190	\$140

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ⁷⁰						
	Medicine DSS	Medicine FEE	Surgery DSS	Surgery FEE	Psychiatry DSS	Psychiatry FEE	Psychiatry Acute DSS
Montgomery	\$13,278	\$5,640	\$12,519	\$6,049	\$7,394	\$3,958	\$4,587

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)⁷¹

Satisfaction Score	Montgomery	VHA
Inpatient overall quality (mean)	54	74
Outpatient overall quality (mean)	62	73

⁶⁸ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.⁶⁹ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.⁷⁰ DSS Costs adjusted to remove depreciation and National/VISN Overhead.⁷¹ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

VISN 8, VA Sunshine Health Care Network

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Inpatient Care	NORTH North Florida/South Georgia HCS (Gainesville, Lake City)			ATLANTIC West Palm Beach Miami		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	116	139	114	111	156	128
Surgery	63	51	42	51	56	46
Psychiatry	46	90	73	71	89	72

Inpatient Care	PUERTO RICO San Juan			GULF Bay Pines			CENTRAL Tampa		
	<i>Beds</i>			<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	245	170	121	108	100	80	133	152	124
Surgery	62	50	36	38	28	22	67	55	45
Psychiatry	27	53	36	50	64	53	30	55	42

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Outpatient Care	NORTH North Florida/South Georgia HCS (Gainesville, Lake City)			ATLANTIC West Palm Beach Miami		
	<i>Stops</i>			<i>Stops</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	309k	431k	376k	317k	554k	483k
Specialty Care	228k	490k	448k	281k	584k	526k
Mental Health	101k	171k	144k	147k	197k	165k

APPENDIX D – DATA TABLES

Outpatient Care	PUERTO RICO San Juan			GULF Bay Pines			CENTRAL Tampa		
	Stops			Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	268k	324k	239k	259k	339k	288k	400k	593k	524k
Specialty Care	189k	374k	285k	177k	379k	333k	324k	633k	580k
Mental Health	81k	85k	84k	89k	137k	112k	109k	197k	167k

Mission Change Lake City, Florida

WORKLOAD

Data presented below includes both the Lake City and Gainesville facilities.

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
N FL/S GA HCS	Internal Med	90	95.1	97.46	92.17	102.93
	Neurology	4	2.96	2.61	2.33	2.09
	Intermediate	31	56.14	53.93	33.32	7.31
	Surgery	34	36.72	39.59	37.46	38.3
	Psychiatry	60	45.78	46.05	46.15	50.49
	Inpatient Total	219	236.7	239.64	211.44	201.12
	VA Dom	0	0	0	0	2.83
	VA Nurs Home	30	182.59	159.64	179.04	208.42

* ADC = Average Daily Census

ACCESS TO VA CARE

The nearest VAMC is Malcolm Randall in Gainesville, and it is within 60 minutes of Lake City.

COMMUNITY ALTERNATIVES

Community alternatives were not explored in cases of realignment only.

QUALITY OF CARE

Data presented below include ratings for both the Lake City and Gainesville facilities.

*Medicine*⁷²

	Better than National Average for FY 2002
Cancer screening – colorectal	1/1
Diabetes	4/6
Hepatitis C – primary care	1/2
Heart Failure – inpatient	1/1
Hypertension	0/2
Ischemic heart disease	1/3
Tobacco cessation – primary care	2/3
Total	10/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome rating is defined as:

- *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients.

Facility	Sample Size	Mortality	Morbidity
Lake City*	910	Normal	Normal
Gainesville	1,431	Normal	Normal

* Facility has insufficient number of major surgical cases in any one year for reliable risk adjustment, so 3 fiscal years are combined (FY 2000 – FY 2002).

COSTS

Inpatient

Facility	Cost Per Day ⁷³				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Lake City	\$737	\$1,859	\$968	\$0	\$269
Gainesville	\$1,092	\$1,813	\$851	\$598	\$365

⁷² Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003. Lake City data could not be separated from data for Gainesville.

⁷³ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

Outpatient

Facility	Clinic Costs Per Encounter ⁷⁴		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Lake City	\$91	\$157	\$55
Gainesville	\$96	\$197	\$60

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ⁷⁵						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Lake City	\$5,639	\$6,416	\$12,551	\$9,004	\$3,293	\$5,666	\$3,293
Gainesville	\$6,555	\$7,219	\$12,667	\$12,316	\$3,818	\$3,906	\$3,500

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)⁷⁶

Satisfaction Score	North Florida/ South Georgia	VHA
Inpatient overall quality (mean)	76	74
Outpatient overall quality (mean)	72	73

⁷⁴ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

⁷⁵ DSS Costs adjusted to remove depreciation and National/VISN Overhead.

⁷⁶ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

VISN 9, MidSouth Health Care System

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Inpatient Care	CENTRAL Murfreesboro Nashville			EASTERN Mountain Home		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	114	153	134	71	79	66
Surgery	57	62	55	22	28	23
Psychiatry	141	135	122	21	33	25

Inpatient Care	NORTHERN Huntington Lexington (Cooper Dr., Leestown) Louisville			WESTERN Memphis		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	153	187	148	80	120	102
Surgery	59	69	55	42	47	41
Psychiatry	35	69	53	44	68	58

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Outpatient Care	CENTRAL Murfreesboro Nashville			EASTERN Mountain Home		
	<i>Stops</i>			<i>Stops</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	190k	341k	305k	100k	125k	97k
Specialty Care	175k	356k	338k	87k	159k	133k
Mental Health	75k	134k	116k	38k	69k	54k

APPENDIX D – DATA TABLES

Outpatient Care	NORTHERN Huntington Lexington (Cooper Dr., Leestown) Louisville			WESTERN Memphis		
	Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	321k	394k	320k	118k	179k	158k
Specialty Care	226k	408k	351k	131k	194k	181k
Mental Health	72k	147k	117k	44k	93k	78k

Mission Change

Campus Realignment – Lexington/Leestown Campus

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
Lexington/ Leestown	Internal Med	57	55.9	44.92	44.16	40.64
	Neurology	5	4.84	4.19	3.31	3.19
	Rehab Med	5	3.87	0	0	0
	Surgery	21	4.87	20.8	16.79	14.51
	Psychiatry	19	12.28	14.76	12.57	12.51
	Inpatient Total	107	81.76	84.67	76.82	70.85
	VA Nurs Home	61	96.99	53.19	53.84	55.79

* ADC = Average Daily Census

ACCESS TO VA CARE

The nearest VAMC to Leestown is the Cooper Drive campus in Lexington and it is within 30 minutes of Leestown.

COMMUNITY ALTERNATIVES

Community alternatives were not explored for this mission change issue.

QUALITY OF CARE⁷⁷***Medicine***

	# Lexington Better than National Average for FY 2002
Cancer screening – colorectal	1/1
Diabetes	6/6
Hepatitis C – primary care	1/2
Heart Failure – inpatient	1/1
Hypertension	2/2
Ischemic heart disease	3/3
Tobacco cessation – primary care	3/3
Total	17/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome ratings are defined as:

- ▶ *High Outlier:* Facility is experiencing more adverse events in major surgical procedures than would be expected from severity of illness of their patients.
- ▶ *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients.

Facility	Sample Size	Mortality	Morbidity
Lexington	1,220	High Outlier	Normal

COSTS***Inpatient***

Facility	Cost Per Day ⁷⁸				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Lexington/Leestown	\$1,390	\$2,169	\$715	\$0	\$526

⁷⁷ Data downloaded from VSSC Website, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

⁷⁸ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

Outpatient

Facility	Clinic Costs Per Encounter ⁷⁹		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Lexington/Leestown	\$119	\$120	\$443

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ⁸⁰						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Lexington/Leestown	\$6,424	\$6,229	\$12,556	\$9,199	\$5,472	\$3,995	\$4,568

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)⁸¹

Satisfaction Score	Lexington	VHA
Inpatient overall quality (mean)	73	74
Outpatient overall quality (mean)	76	73

⁷⁹ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

⁸⁰ DSS Costs adjusted to remove depreciation and National/VISN Overhead.

⁸¹ Data downloaded from vaww.oqp.med.va.gov/oqp/services/performance/measurement/SHEPPM, November 5, 2003.

VISN 10, VA Health Care System of Ohio

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

	CENTRAL Chillicothe Columbus			EASTERN Cleveland Wade Park Brecksville			WESTERN Dayton Cincinnati		
	<i>Beds</i>			<i>Beds</i>			<i>Beds</i>		
Inpatient Care	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	34	44	37	72	144	112	83	102	85
Surgery	2	1	1	42	49	37	42	44	36
Psychiatry	59	56	43	105	133	109	68	74	63

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

	CENTRAL Chillicothe Columbus			EASTERN Cleveland Wade Park Brecksville			WESTERN Dayton Cincinnati		
	<i>Stops</i>			<i>Stops</i>			<i>Stops</i>		
Outpatient Care	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	139k	169k	145k	236k	360k	293k	179k	256k	222k
Specialty Care	82k	161k	145k	170k	353k	300k	171k	249k	226k
Mental Health	95k	0	0	246k	0	0	185k	0	0

Mission Change

Campus Realignment and Closure – Brecksville

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
Cleveland/ Wade Park	Internal Med	95	51.29	58.76	68.63	83.23
	Neurology	4.8	4.6	4.08	3.03	4.21
	Rehab Med	6	3.55	4.25	3.43	3.98
	Spinal Cord	38	26.41	23.02	21.16	22.92
	Intermediate	0	15.46	17	10.21	0
	Surgery	34.1	25.52	17.95	23.19	26.24
	Psychiatry	116.4	132.03	112.95	83.85	92
	Inpatient Total	294.3	258.86	238.01	213.51	232.57
	VA Dom	170.1	166.79	157.61	152.88	151.63
	VA Nurs Home	191.9	171.96	140.13	123.23	175.73

* ADC = Average Daily Census

ACCESS TO VA CARE

The nearest VAMC is Cleveland's Wade Park Campus and it is within 30 minutes of Brecksville.

COMMUNITY ALTERNATIVES

Community alternatives were not explored.

QUALITY OF CARE⁸²

Note: Cleveland quality of care data includes data for Wade Park and Brecksville.

Medicine

	# Cleveland Better than National Average for FY 2002
Cancer screening – colorectal	0/1
Diabetes	2/6
Hepatitis C – primary care	2/2
Heart Failure – inpatient	0/1
Hypertension	1/2
Ischemic heart disease	2/3
Tobacco cessation – primary care	1/3
Total	8/18

⁸² Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/leprp.htm>, November 4, 2003.

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

There was no surgery at Brecksville.

Facility	Sample Size	Mortality	Morbidity
Brecksville	No Surgery	–	–

COSTS***Inpatient***

Facility	Cost Per Day ⁸³				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Wade Park	\$1,372	\$2,321	\$704	\$0	\$463
Brecksville	\$657		\$657	\$137	\$448

Outpatient

Facility	Clinic Costs Per Encounter ⁸⁴		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Wade Park	\$189	\$197	\$60
Brecksville	\$87	\$108	\$37

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ⁸⁵						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Wade Park	\$10,004	\$6,570	\$19,207	\$12,394	\$9,737	\$4,149	\$7,007
Brecksville	\$0	\$0	\$0	\$0	\$14,935	\$3,922	\$6,823

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)⁸⁶

Satisfaction Score	Wade Park	Brecksville	VHA
Inpatient overall quality (mean)	75	57	74
Outpatient overall quality (mean)	67	77	73

⁸³ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

⁸⁴ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

⁸⁵ DSS Costs adjusted to remove depreciation and National/VISN Overhead.

⁸⁶ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

VISN 11, Veterans in Partnership

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

	CENTRAL ILLINOIS Danville			INDIANA Indianapolis Ft. Wayne			MICHIGAN Detroit Ann Arbor Battle Creek Saginaw		
	<i>Beds</i>			<i>Beds</i>			<i>Beds</i>		
Inpatient Care	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	39	34	24	98	94	74	106	190	146
Surgery	7	7	4	41	39	30	62	73	56
Psychiatry	113	110	104	157	170	159	217	224	196

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

	CENTRAL ILLINOIS Danville			INDIANA Indianapolis Ft. Wayne			MICHIGAN Detroit Ann Arbor Battle Creek Saginaw		
	<i>Stops</i>			<i>Stops</i>			<i>Stops</i>		
Outpatient Care	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	97k	96k	76k	197k	312k	272k	283k	496k	429k
Specialty Care	41k	99k	80k	166k	267k	242k	219k	556k	504k
Mental Health	40k	N/A	N/A	101k	104k	103k	182k	232k	195k

Mission Change

Saginaw, Michigan

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
Saginaw	Internal Med	27	13.49	7.85	7.57	7.03	21.00	16.00
	Intermediate	6	7.31	13.24	11.94	9.92		
	Inpatient Total	33	20.79	21.1	19.51	16.95		
	VA Dom	0	0	0	0	0		
	VA Nurs Home	81	74.36	75.12	72.19	67.41		

* ADC = Average Daily Census

ACCESS TO VA CARE

Of 120 Zip codes around Saginaw, three Zip codes have enrollees who live within 60 minutes of Ann Arbor.

COMMUNITY ALTERNATIVES⁸⁷

According to data provided, there are 11 medical centers with JCAHO accreditation.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	Bay Regional Medical Center	Bay City	MI	341	192	yes	no
30	MidMichigan Medical Center	Midland	MI	250	139	yes	yes
30	Covenant Medical Center	Saginaw	MI	539	360	yes	no
30	Healthsource Saginaw	Saginaw	MI	319	209	yes	yes
30	St. Mary's Medical Center	Saginaw	MI	268	200	yes	yes
60	Gratiot Community Hospital	Alma	MI	127	N/A	no	no
60	Caro Center	Caro	MI	204	209	no	no
60	MidMichigan Medical Center–Clare	Clare	MI	64	23	yes	no
60	Michigan Medical Center–Gladwin	Gladwin	MI	42	16	no	no
60	Genesys Regional Medical Center	Grand Blanc	MI	379	312	yes	no
60	Memorial Healthcare	Owosso	MI	137	77	yes	yes

⁸⁷ Please see Footnote 7 on page D-9.

QUALITY OF CARE⁸⁸***Medicine***

	Better than National Average for FY 2002
Cancer screening – colorectal	0/1
Diabetes	6/6
Hepatitis C – primary care	2/2
Heart Failure – inpatient	1/1
Hypertension	2/2
Ischemic heart disease	1/3
Tobacco cessation – primary care	3/3
Total	15/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome ratings are defined as:

Facility	Sample Size	Mortality	Morbidity
Saginaw	No Surgery	–	–

COSTS***Inpatient***

Facility	Cost Per Day ⁸⁹				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Saginaw	\$1,679	\$12,273		\$0	\$399

Outpatient

Facility	Clinic Costs Per Encounter ⁹⁰		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Saginaw	\$101	\$169	\$80

⁸⁸ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

⁸⁹ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

⁹⁰ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ⁹¹						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Saginaw	\$6,604	\$5,647	\$0	\$0	\$0	\$0	\$0

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)⁹²

Satisfaction Score	Saginaw	VHA
Inpatient overall quality (mean)	76	74
Outpatient overall quality (mean)	76	73

Mission Change**Fort Wayne, Indiana****WORKLOAD**

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
Fort Wayne	Internal Med	26	19.68	18.62	23.48	21.68		
	Inpatient Total	26	19.68	18.62	23.48	21.68	14.00	11.00
	VA Nurs Home	0	25.25	15.81				

* ADC = Average Daily Census

ACCESS TO VA CARE

Of 131 Zip codes around Fort Wayne, 11 Zip codes are within 60 minutes of Marion campus, and one is within 60 minutes of Battle Creek.

⁹¹ DSS Costs adjusted to remove depreciation and National/VISN Overhead.⁹² Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

COMMUNITY ALTERNATIVES⁹³

According to data provided, there are nine medical centers with JCAHO accreditation.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	Lutheran Hospital of Indiana	Fort Wayne	IN	449	214	yes	yes
30	Parkview Hospital	Fort Wayne	IN	509	343	yes	yes
30	St. Joseph Hospital	Fort Wayne	IN	191	84	yes	yes
60	Bluffton Regional Medical Center	Bluffton	IN	95	37	yes	yes
60	Parkview Whitley Hospital	Columbia City	IN	131	104	yes	no
60	Adams County Memorial Hospital	Decatur	IN	87	40	yes	yes
60	Parkview Huntington Hospital	Huntington	IN	37	13	yes	no
60	Parkview Noble Hospital	Kendallville	IN	43	21	yes	yes
60	Van Wert County Hospital	Van Wert	OH	100	17	yes	no

QUALITY OF CARE

Data presented below include ratings for both the Fort Wayne and Marion facilities.

Medicine⁹⁴

	# North Indiana Better than National Average for FY 2002
Cancer screening – colorectal	0/1
Diabetes	4/6
Hepatitis C – primary care	1/2
Heart Failure – inpatient	1/1
Hypertension	0/2
Ischemic heart disease	0/3
Tobacco cessation – primary care	2/3
Total	8/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome rating is defined as:

- **Normal:** Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients

⁹³ Please see Footnote 7 on page D-9.

⁹⁴ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003. Data for medicine and mental health includes scores for both Fort Wayne and Marion.

Facility	Sample Size	Mortality	Morbidity
Ft. Wayne*	479	Normal	Normal

* Facility has insufficient number of major surgical cases in any one year for reliable risk adjustment, so 3 fiscal years are combined (FY 2000 – FY 2002).

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)⁹⁵

Satisfaction Score	North Indiana	VHA
Inpatient overall quality (mean)	69	74
Outpatient overall quality (mean)	72	73

COSTS

Inpatient

Facility	Cost Per Day ⁹⁶				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Ft. Wayne	\$1,351	\$1,802	\$638	\$0	\$0

Outpatient

Facility	Clinic Costs Per Encounter ⁹⁷		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Ft. Wayne	\$137	\$205	\$79

FY 2002 Cost per discharge compared to similar DRG Contract Cost

Facility	Cost Per Discharge ⁹⁸						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Ft. Wayne	\$7,336	\$5,399	\$8,832	\$6,646	\$0	\$0	\$0
Nation	\$8,656	\$6,584	\$15,004	\$9,719	\$8,467	\$4,093	\$5,341

⁹⁵ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

⁹⁶ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

⁹⁷ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

⁹⁸ DSS Costs adjusted to remove depreciation and National/VISN Overhead.

VISN 15, VA Heartland Network

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

	EAST St. Louis Poplar Bluff Marion			CENTRAL Kansas City, Topeka Columbia, Leavenworth			WEST Wichita		
	<i>Beds</i>			<i>Beds</i>			<i>Beds</i>		
Inpatient Care	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	114	172	128	126	158	125	29	42	34
Surgery	45	58	42	48	54	42	10	14	11
Psychiatry	54	84	60	228	213	188	2	4	3

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

	EAST St. Louis Poplar Bluff Marion			CENTRAL Kansas City, Topeka Columbia, Leavenworth			WEST Wichita		
	<i>Stops</i>			<i>Stops</i>			<i>Stops</i>		
Outpatient Care	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	272k	392k	316k	232k	415k	351k	56k	90k	76k
Specialty Care	216k	412k	350k	196k	406k	363k	34k	98k	87k
Mental Health	111k	159k	120k	225k	N/A	N/A	27k	27k	27k

Mission Change

Poplar Bluff, Missouri

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
Popular Bluff	Internal Med	16.00	0.00	5.07	14.28	17.29		
	Inpatient Total	18.00	0.00	5.07	14.28	17.29	15.00	11.00
	VA Nurs Home	40.00	0.00	16.96	31.72	37.34		

* ADC = Average Daily Census

ACCESS TO VA CARE

There are no VAMCs within 60 minutes of this facility.

COMMUNITY ALTERNATIVES⁹⁹

According to data provided, there are no medical centers within 60 minutes that are JCAHO accredited.

However, there is one facility that appears to have excess capacity.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care	JCAHO Accredited
30	Three Rivers Healthcare	Poplar Bluff	MO	276	161	yes	yes	yes
60	Piggott Community Hospital	Piggott	AR	35	15	yes	no	no

QUALITY OF CARE¹⁰⁰

Medicine

	Better than National Average for FY 2002
Cancer screening – colorectal	1/1
Diabetes	3/6
Hepatitis C – primary care	1/2
Heart Failure – inpatient	1/1
Hypertension	1/2
Ischemic heart disease	0/3
Tobacco cessation – primary care	2/3
Total	9/18

⁹⁹ Please see Footnote 7 on page D-9.

¹⁰⁰ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

Poplar Bluff has no surgery.

Facility	Sample Size	Mortality	Morbidity
Poplar Bluff	No surgery	–	–

COSTS***Inpatient***

Facility	Cost Per Day ¹⁰¹				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Poplar Bluff	\$1,002		\$661	\$0	\$311

Outpatient

Facility	Clinic Costs Per Encounter ¹⁰²		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Poplar Bluff	\$134	\$251	\$56

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹⁰³						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Poplar Bluff	\$3,549	\$5,465	\$0	\$0	\$7,270	\$2,751	\$7,270

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹⁰⁴

Satisfaction Score	Poplar Bluff	VHA
Inpatient overall quality (mean)	73	74
Outpatient overall quality (mean)	66	73

¹⁰¹ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

¹⁰² DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

¹⁰³ DSS Costs adjusted to remove depreciation and National/VISN Overhead.

¹⁰⁴ Data downloaded from http://vawww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

VISN 16, the South Central VA Health Care Network

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Inpatient Care	CENTRAL LOWER Houston, TX Alexandria, LA Shreveport, LA			CENTRAL SOUTHERN Jackson, MS New Orleans, LA Gulfport/Biloxi, MS		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	258	302	248	156	300	250
Surgery	109	118	98	73	120	101
Psychiatry	114	138	118	125	177	154
Inpatient Care	EAST SOUTHERN			UPPER WESTERN Oklahoma City, OK Muskogee, OK Fayetteville/Little Rock, AR		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	22	74	66	258	369	305
Surgery	10	30	28	105	140	116
Psychiatry	32	47	42	155	240	205

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Outpatient Care	CENTRAL LOWER Houston, TX Alexandria, LA Shreveport, LA			CENTRAL SOUTHERN Jackson, MS New Orleans, LA Gulfport/Biloxi, MS		
	Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	412k	498k	431k	360k	570k	502k
Specialty Care	340k	663k	612k	324k	648k	604k
Mental Health	162k	240k	197k	244k	286k	273k

Outpatient Care	EAST SOUTHERN			UPPER WESTERN Oklahoma City, OK Muskogee, OK Fayetteville/Little Rock, AR		
	Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	80k	172k	157k	463k	625k	537k
Specialty Care	76k	198k	194k	360k	731k	671k
Mental Health	43k	81k	70k	227k	322k	263k

Mission Change

Campus Realignment and Closure – Gulfport, Mississippi

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
Gulf Coast HCS	Internal Med	45	36.73	37.92	33.61	33.14
	Intermediate	20	26.37	28.46	21.55	17.99
	Surgery	12	9.13	10.51	8.57	8.3
	Psychiatry	144	91.08	66.79	68.31	66.61
	Inpatient Total	221	163.32	143.67	132.04	126.04
	VA Dom	171	114.36	125.14	124.33	147.73
	VA Nurs Home	160	126.05	127.67	136.26	151.41

* ADC = Average Daily Census

ACCESS TO VA CARE

The nearest VAMC to Gulfport is the Biloxi VAMC, which is 8 miles away from Gulfport VAMC.

COMMUNITY ALTERNATIVES

Community alternatives were not explored in this case.

QUALITY OF CARE¹⁰⁵

Note: Gulf Coast quality of care data includes data for Biloxi and Gulfport.

Medicine

	# Gulf Coast Better than National Average for FY 2002
Cancer screening – colorectal	0/1
Diabetes	3/6
Hepatitis C – primary care	2/2
Heart Failure – inpatient	1/1
Hypertension	0/2
Ischemic heart disease	0/3
Tobacco cessation – primary care	2/3
Total	8/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome rating is defined as:

- *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients.

Facility	Sample Size	Mortality	Morbidity
Biloxi	489	Normal	Normal
Gulfport	No surgery	–	–

¹⁰⁵ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

COSTS***Inpatient***

Facility	Cost Per Day ¹⁰⁶				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Biloxi	\$1,069	\$1,657	\$561	\$150	\$288
Gulfport	\$1,079		\$554	\$174	\$356

Outpatient

Facility	Clinic Costs Per Encounter ¹⁰⁷		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Biloxi	\$125	\$190	\$83
Gulfport	\$89	\$55	\$0

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹⁰⁸						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Biloxi	\$9,492	\$7,183	\$9,550	\$9,268	\$12,284	\$3,914	\$5,439
Gulfport	\$4,137	\$4,137	\$0	\$0	\$20,160	\$4,174	\$6,365

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹⁰⁹

Satisfaction Score	Gulf Coast	VHA
Inpatient overall quality (mean)	69	74
Outpatient overall quality (mean)	70	73

¹⁰⁶ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.¹⁰⁷ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.¹⁰⁸ DSS Costs adjusted to remove depreciation and National/VISN Overhead.¹⁰⁹ Data downloaded from http://vawww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

Mission Change

Small Facility – Muskogee, Oklahoma

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
Muskogee	Internal Med	28	16.57	16.52	30.33	36.88		
	Intermediate	17	21.96	24.36	9.82	1.57		
	Surgery	5	3.11	3.54	3.83	3.88		
	Inpatient Total	50	41.64	44.42	43.97	42.33	36.00	27.00

* ADC = Average Daily Census

ACCESS TO VA CARE

Of 133 Zip codes around Muskogee, there are no VAMCs within 60 minutes.

COMMUNITY ALTERNATIVES¹¹⁰

According to data provided, there are 12 non-VA medical centers with JCAHO accreditation that are within 30 or 60 minutes from Muskogee.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	Muskogee Regional Medical Center	Muskogee	OK	222	171	yes	no
60	Claremore Regional Hospital	Claremore	OK	68	48	no	no
60	US Public Health Service Comprehensive Indian Health Facility	Claremore	OK	46	24	yes	no
60	Integrus Mayes County Medical Center	Pryor	OK	34	14	yes	no
60	Tahlequah City Hospital	Tahlequah	OK	86	31	yes	yes
60	William W. Hastings Indian Hospital	Tahlequah	OK	60	30	no	no
60	Hillcrest Medical Center	Tulsa	OK	439	289	yes	yes
60	Hillcrest Specialty Hospital	Tulsa	OK	45	15	yes	yes
60	Laureat Psychiatric Clinic and Hospital	Tulsa	OK	75	N/A	yes	yes
60	Saint Francis Health System	Tulsa	OK	584	410	yes	yes
60	Shadow Mountain Behavioral Health System	Tulsa	OK	100	N/A	no	no
60	Saint John Medical Center	Tulsa	OK	552	401	yes	yes

¹¹⁰ Please see Footnote 7 on page D-9.

QUALITY OF CARE¹¹¹

Note: Muskogee quality of care data includes data for Muskogee and Tulsa.

Medicine

	# Muskogee Better than National Average for FY 2002
Cancer screening – colorectal	1/1
Diabetes	2/6
Hepatitis C – primary care	2/2
Heart Failure – inpatient	1/1
Hypertension	0/2
Ischemic heart disease	1/3
Tobacco cessation – primary care	2/3
Total	9/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome ratings are defined as:

- *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients

Facility	Sample Size	Mortality	Morbidity
Muskogee*	909	Normal	Normal

* Facility has insufficient number of major surgical cases in any one year for reliable risk adjustment, so 3 fiscal years are combined (FY 2000 – FY 2002).

COSTS

Note: Tulsa is an outpatient clinic only.

Inpatient

Facility	Cost Per Day ¹¹²				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Muskogee	\$890	\$1,549		\$0	\$0

¹¹¹ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

¹¹² DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

Outpatient

Facility	Clinic Costs Per Encounter ¹¹³		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Muskogee	\$139	\$217	\$69
Tulsa	\$151	\$79	\$35

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹¹⁴						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Muskogee	\$5,411	\$5,500	\$10,402	\$7,214	\$0	\$0	\$0

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹¹⁵

Satisfaction Score	Muskogee	Tulsa	VHA
Inpatient overall quality (mean)	74	N/A	74
Outpatient overall quality (mean)	73	69	73

¹¹³ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

¹¹⁴ DSS Costs adjusted to remove depreciation and National/VISN Overhead.

¹¹⁵ Data downloaded from http://vawww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

VISN 17, VA Heart of Texas Health Care Network

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Inpatient Care	NORTH TEXAS Bonham Dallas			CENTRAL Waco Temple Marlin		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	114	159	142	91	78	66
Surgery	66	63	55	39	25	21
Psychiatry	102	132	126	256	253	244
Inpatient Care	SOUTHERN San Antonio Kerrville			VALLEY–COASTAL BEND No Medical Centers		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	119	130	111	18	37	30
Surgery	55	48	40	10	13	11
Psychiatry	80	77	65	23	27	24

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Outpatient Care	NORTH TEXAS Bonham Dallas			CENTRAL Waco Temple Marlin		
	<i>Stops</i>			<i>Stops</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	292k	413k	388k	226k	279k	254k
Specialty Care	188k	447k	448k	157k	262k	255k
Mental Health	167k	175k	170k	69k	140k	121k
Outpatient Care	SOUTHERN San Antonio Kerrville			VALLEY-COASTAL BEND No Medical Centers		
	<i>Stops</i>			<i>Stops</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	239k	338k	298k	56k	93k	80k
Specialty Care	154k	360k	341k	29k	94k	87k
Mental Health	72k	150k	125k	12k	39k	32k

Mission Change

Small Facility – Waco and Marlin, Texas

WORKLOAD

Workload for Waco and Temple are combined in the KLF databases and there is no way to separate the information to see the numbers of patients being cared for at each campus.

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
VA Central Texas (Waco & Temple)	Internal Med	105	85.65	85.65	85.68	93.01
	Blind Rehab	0	12.44	12.44	12.61	13.61
	Intermediate	32	17.29	17.29	13.2	14.47
	Surgery	40	W25.31	25.31	24.23	18.76
	Psychiatry	0	213.48	213.48	186.42	144.59
	Inpatient Total	177	354.18	354.18	322.14	284.44
	VA Dom	408	363	363	376.63	360.97
	VA Nurs Home	110.5	121.44	121.44	152.81	187.43

* ADC = Average Daily Census

There are no inpatients in Marlin.

ACCESS TO VA CARE

The nearest VAMC to Waco is the Temple VAMC, which is within 60 minutes.

COMMUNITY ALTERNATIVES¹¹⁶

According to data provided, there are nine non-VA medical centers with JCAHO accreditation that are within 30 or 60 minutes of Waco.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	Hillcrest Baptist Medical Center	Waco	TX	295	173	Yes	Yes
30	Providence Health Center	Waco	TX	427	336	Yes	Yes
60	Goodall Witcher Healthcare	Clifton	TX	80	56	Yes	No
60	Coryell Memorial Hospital	Gatesville	TX	138	75	Yes	No
60	Hill Region Hospital	Hillsboro	TX	86	28	Yes	No
60	Metroplex Adventist Hospital	Killeen	TX	177	83	Yes	Yes
60	Parkview Regional Hospital	Mexia	TX	59	39	Yes	No
60	Kings Daughter Hospital	Temple	TX	116	29	Yes	Yes
60	Scott and White Memorial Hospital	Temple	TX	459	317	Yes	Yes

¹¹⁶ Please see Footnote 7 on page D-9.

QUALITY OF CARE¹¹⁷

Note: Central Texas quality of care data includes data for Marlin, Temple and Waco.

Medicine

	# Central Texas Better than National Average for FY 2002
Cancer screening – colorectal	0/1
Diabetes	3/6
Hepatitis C – primary care	0/2
Heart Failure – inpatient	1/1
Hypertension	0/2
Ischemic heart disease	2/3
Tobacco cessation – primary care	2/3
Total	8/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome ratings are defined as:

- ▶ *High Outlier:* Facility is experiencing more adverse events in major surgical procedures than would be expected from severity of illness of their patients.
- ▶ *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients

Facility	Sample Size	Mortality	Morbidity
Temple	1,097	Normal	High Outlier
Marlin	No surgery	–	–
Waco	No surgery	–	–

COSTS***Inpatient***

Facility	Cost Per Day ¹¹⁸				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Waco	\$740	\$667	\$423	\$368	\$358
Marlin				\$0	\$271
Temple	\$862	\$1,763	\$518	\$103	\$337

¹¹⁷ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

¹¹⁸ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

Outpatient

Facility	Clinic Costs Per Encounter ¹¹⁹		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Waco	\$139	\$129	\$56
Marlin	\$168	\$435	\$48
Temple	\$104	\$220	\$77

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹²⁰						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Waco	\$22,641	\$9,761	\$0	\$0	\$16,583	\$4,632	\$5,008
Marlin	\$2,560	\$5,124	\$0	\$0	\$18,571	\$4,507	\$0
Temple	\$7,170	\$6,337	\$14,533	\$8,823	\$15,777	\$4,912	\$4,146

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹²¹

Satisfaction Score	Temple	Waco	Marlin	VHA
Inpatient overall quality (mean)	78	48	No data	74
Outpatient overall quality (mean)	68	72	75	73

¹¹⁹ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.¹²⁰ DSS Costs adjusted to remove depreciation and National/VISN Overhead.¹²¹ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

Mission Change

Small Facility – Kerrville, Texas

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
Kerrville	Internal Med	25	17.62	17.62	16.07	12.35	15.00	12.00
	Inpatient Total	25	17.62	17.62	16.07	12.35		
	VA Nurs Home	154	136.90	137.63	121.68	123.14		
San Antonio	Internal Med	126	72.79	80.21	83.21	85.05		
	Spinal Cord	30	19.48	20.75	22.38	20.16		
	Intermediate	0	0	0	0	0		
	Surgery	59	31.57	38.15	40.22	39.7		
	Psychiatry	79.6	57.16	63.38	67.67	67.59		
	Inpatient Total	294.6	181	202.49	213.48	212.51		
	VA Dom	0	0	0	0	0		
	VA Nurs Home	90	60.66	73.12	67.39	71.98		

* ADC = Average Daily Census

ACCESS TO VA CARE

Of 29 Zip codes around Kerrville, 12 Zip codes are within 60 minutes of Audie L. Murphy Memorial Veterans Hospital in San Antonio, TX.

COMMUNITY ALTERNATIVES¹²²

According to data provided, there are three medical centers with JCAHO accreditation.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	Kerrville State Hospital	Kerrville	TX	217	169	yes	yes
30	Sid Peterson Memorial Hospital	Kerrville	TX	130	87	yes	no
60	Hill Country Memorial Hospital	Fredericksburg	TX	59	39	yes	no

¹²² Please see Footnote 7 on page D-9.

QUALITY OF CARE¹²³

Note: San Antonio quality of care data include data for San Antonio and Kerrville.

Medicine

	# San Antonio Better than National Average for FY 2002
Cancer screening – colorectal	0/1
Diabetes	1/6
Hepatitis C – primary care	1/2
Heart Failure – inpatient	0/1
Hypertension	2/2
Ischemic heart disease	1/3
Tobacco cessation – primary care	3/3
Total	8/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs. The outcome ratings are defined as:

- ▶ *High Outlier:* Facility is experiencing more adverse events in major surgical procedures than would be expected from severity of illness of their patients.
- ▶ *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients

Facility	Sample Size	Mortality	Morbidity
San Antonio	1,306	Normal	High Outlier
Kerrville	No surgery	–	–

¹²³ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

COSTS***Inpatient***

Facility	Cost Per Day ¹²⁴				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Kerrville	\$950	\$1,816	\$497	\$0	\$232
San Antonio	\$1,264	\$2,167	\$445	\$774	\$451

Outpatient

Facility	Clinic Costs Per Encounter ¹²⁵		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Kerrville	\$114	\$145	\$63
San Antonio	\$226	\$210	\$95

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹²⁶						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Kerrville	\$6,145	\$5,475	\$17,738	\$12,923	\$7,121	\$5,497	\$4,130
San Antonio	\$9,072	\$6,596	\$12,887	\$9,720	\$3,837	\$4,041	\$3,327

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹²⁷

Satisfaction Score	San Antonio	Kerrville	VHA
Inpatient overall quality (mean)	69	79	74
Outpatient overall quality (mean)	64	76	73

¹²⁴ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.¹²⁵ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.¹²⁶ DSS Costs adjusted to remove depreciation and National/VISN Overhead.¹²⁷ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

VISN 18, VA Southwest Health Care Network

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Inpatient Care	ARIZONA Phoenix Tucson Prescott			NEW MEXICO/WEST TEXAS Albuquerque Amarillo Big Spring		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	158	205	179	127	197	159
Surgery	70	71	63	68	74	60
Psychiatry	68	104	89	60	89	71

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Outpatient Care	ARIZONA Phoenix Tucson Prescott			NEW MEXICO/WEST TEXAS Albuquerque Amarillo Big Spring		
	<i>Stops</i>			<i>Stops</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	364k	460k	414k	388k	369k	298k
Specialty Care	322k	501k	475k	266k	404k	344k
Mental Health	133k	206k	175k	114k	171k	134k

Mission Change

Campus Realignment/Small Facility – Prescott, Arizona

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
Phoenix	Internal Med	99	66.1	69.7	65.45	63.89		
	Surgery	42	26.54	28.47	25.82	21.98		
	Psychiatry	48	35.2	29.1	33.45	31.37		
	Inpatient Total	189	127.84	127.27	124.73	117.24		
	VA Nurs Home	104	73.45	72.23	69.53	80.83		
Northern Arizona HCS	Internal Med	25	23.75	23.95	22.57	23.17		
	Inpatient Total	25	23.75	23.95	22.57	23.17	28	22
	VA Dom	120	106.39	98.16	101.56	98.13		
	VA Nurs Home	85	83.09	76.77	82.18	81.07		

* ADC = Average Daily Census

ACCESS TO VA CARE

Of 23 Zip codes around Northern Arizona (Prescott), there are no VAMCs within 60 minutes.

COMMUNITY ALTERNATIVES¹²⁸

According to data provided, there are two medical centers with JCAHO accreditation.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	Yavapai Regional Medical Center	Prescott	AZ	84	58	yes	yes
60	Verde Valley Medical Center	Cottonwood	AZ	75	36	yes	yes

¹²⁸ Please see Footnote 7 on page D-9.

QUALITY OF CARE¹²⁹***Medicine***

	# Prescott Better than National Average for FY 2002	# Phoenix Better than National Average for FY 2002
Cancer screening – colorectal	0/1	1/1
Diabetes	3/6	5/6
Hepatitis C – primary care	1/2	2/2
Heart Failure – inpatient	1/1	1/1
Hypertension	0/2	2/2
Ischemic heart disease	1/3	2/3
Tobacco cessation – primary care	3/3	3/3
Total	9/18	16/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome rating is defined as:

- *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients

Facility	Sample Size	Mortality	Morbidity
Phoenix	1,281	Normal	Normal
Prescott	No surgery	–	–

COSTS***Inpatient***

Facility	Cost Per Day ¹³⁰				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Phoenix	\$1,448	\$2,270	\$702	\$0	\$570
Prescott	\$909	N/A	N/A	\$121	\$419

¹²⁹ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

¹³⁰ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

Outpatient

Facility	Clinic Costs Per Encounter ¹³¹		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Phoenix	\$130	\$190	\$60
Prescott	\$143	\$182	\$61

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹³²						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Phoenix	\$7,141	\$6,118	\$14,618	\$9,330	\$5,953	\$3,980	\$5,446
Prescott	\$4,893	\$5,478	\$0	\$0	\$0	\$0	\$0

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹³³

Satisfaction Score	Prescott	Phoenix	VHA
Inpatient overall quality (mean)	84	74	74
Outpatient overall quality (mean)	82	74	73

Mission Change**Campus Realignment and Closure – Big Spring, Texas****WORKLOAD**

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
West Texas HCS	Internal Med	20	17.3	15.83	15.31	12.75
	Intermediate	5	2.85	2.79	2.88	2.25
	Surgery	6	3.91	3.73	2.47	1.03
	Psychiatry	0	21.84	21.45	13.77	0
	Inpatient Total	31	45.89	43.79	34.43	16.03
	VA Nurs Home	40	35.92	36.01	35.8	36.01

* ADC = Average Daily Census

¹³¹ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.¹³² DSS Costs adjusted to remove depreciation and National/VISN Overhead.¹³³ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

ACCESS TO VA CARE

The nearest VAMC to Big Spring is the Amarillo VA in West Texas, and it is 5 hours from Big Spring.

COMMUNITY ALTERNATIVES¹³⁴

According to data provided, there are five non-VA medical centers with JCAHO accreditation that are within 30 or 60 minutes of Big Spring.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	Big Spring State Hospital	Big Spring	TX	187	179	Yes	No
30	Scenic Mountain Medical Center	Big Spring	TX	122	34	Yes	No
60	Mitchell County Hospital	Colorado City	TX	26	6	Yes	No
60	Dessert Springs Medical Center	Midland	TX	48	25	Yes	Yes
60	Midland Memorial Hospital	Midland	TX	285	193	Yes	No

QUALITY OF CARE¹³⁵***Medicine***

	# Big Spring Better than National Average for FY 2002
Cancer screening – colorectal	0/1
Diabetes	4/6
Hepatitis C – primary care	1/2
Heart Failure – inpatient	1/1
Hypertension	2/2
Ischemic heart disease	1/3
Tobacco cessation – primary care	3/3
Total	12/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs. The outcome rating is defined as:

- *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients.

¹³⁴ Please see Footnote 7 on page D-9.

¹³⁵ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

Facility	Sample Size	Mortality	Morbidity
Big Spring*†	662	Normal	Data Unreliable

* Facility has insufficient number of major surgical cases in any one year for reliable risk adjustment; so 3 fiscal years are combined (FY 2000 – FY 2002).

† Surgical services closed in May 2003.

COSTS

Inpatient

Facility	Cost Per Day ¹³⁶				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Big Spring	\$1,016	\$1,606	\$800	\$0	\$343

Outpatient

Facility	Clinic Costs Per Encounter ¹³⁷		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Big Spring	\$172	\$201	\$103

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹³⁸						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Big Spring	\$6,273	\$5,210	\$9,772	\$6,510	\$11,930	\$3,435	\$10,660

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹³⁹

Satisfaction Score	Big Spring	VHA
Inpatient overall quality (mean)	81	74
Outpatient overall quality (mean)	70	73

¹³⁶ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

¹³⁷ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

¹³⁸ DSS Costs adjusted to remove depreciation and National/VISN Overhead.

¹³⁹ Data downloaded from http://vaww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

VISN 19, Rocky Mountain Health Care System

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Inpatient Care	EASTERN ROCKIES Denver Cheyenne			GRAND JUNCTION Grand Junction		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	70	102	88	11	13	10
Surgery	40	43	37	5	4	3
Psychiatry	56	56	46	7	6	5

Inpatient Care	MONTANA Ft. Harrison			WESTERN ROCKIES Salt Lake			WYOMING Sheridan		
	<i>Beds</i>			<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	28	36	29	47	52	43	11	11	9
Surgery	11	11	9	32	21	18	2	1	1
Psychiatry	5	10	9	22	21	17	47	45	41

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Outpatient Care	EASTERN ROCKIES Denver Cheyenne			GRAND JUNCTION Grand Junction		
	<i>Stops</i>			<i>Stops</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	176k	252k	225k	35k	36k	29k
Specialty Care	144k	269k	256k	24k	35k	30k
Mental Health	116k	148k	125k	15k	16k	15k

Outpatient Care	MONTANA Ft. Harrison			WESTERN ROCKIES Salt Lake			WYOMING Sheridan		
	Stops			Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	99k	84k	71k	110k	110k	95k	39k	27k	22k
Specialty Care	38k	94k	83k	88k	151k	137k	15k	27k	23k
Mental Health	18k	37k	33k	62k	63k	62k	11k	11k	11k

Mission Change

Small Facility – Cheyenne, Wyoming

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
Cheyenne	Internal Med	12	8.83	8.53	8.19	6.70	17.00	14.00
	Intermediate	5	3.04	2.82	1.88	2.15		
	Surgery	4	1.73	1.41	1.48	1.43		
	Inpatient Total	21	13.60	12.76	11.55	10.28		
	VA Nurs Home	50	44.80	42.50	34.54	29.73		
Denver	Internal Med	40	47.11	44.02	41.2	38.47	17.00	14.00
	Neurology	2	2.31	2.08	1.61	1.23		
	Rehab Med	12	10.31	10.92	8.33	8.23		
	Intermediate	4	3.43	7.99	3.65	2.07		
	Surgery	30	25.19	23.84	21.53	21.62		
	Psychiatry	40	42.51	44.62	40.14	36.31		
	Inpatient Total	128	130.86	133.47	116.46	107.93		
	VA Nurs Home	100	54.81	54.96	86.8	88.79		

* ADC = Average Daily Census

ACCESS TO VA CARE

The next nearest VAMC is Denver and it is more than 60 minutes from Cheyenne.

COMMUNITY ALTERNATIVES¹⁴⁰

According to data provided, there is one medical center with JCAHO accreditation.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	United Medical Center	Cheyenne	WY	195	124	Y	Y

¹⁴⁰ Please see Footnote 7 on page D-9.

QUALITY OF CARE¹⁴¹***Medicine***

	# Cheyenne Better than National Average for FY 2002	# Denver Better than National Average for FY 2002
Cancer screening – colorectal	1/1	1/1
Diabetes	5/6	3/6
Hepatitis C – primary care	2/2	2/2
Heart Failure – inpatient	1/1	1/1
Hypertension	2/2	–
Ischemic heart disease	0/3	2/3
Tobacco cessation – primary care	2/3	2/3
Total	13/18	12/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome rating is defined as:

- *Normal*: Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients

Facility	Sample Size	Mortality	Morbidity
Cheyenne*	662	Normal	Normal
Denver	1,156	Normal	Normal

* Facility has insufficient number of major surgical cases in any one year for reliable risk adjustment, so 3 fiscal years are combined (FY 2000 – FY 2002).

COSTS***Inpatient***

Facility	Cost Per Day ¹⁴²				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Cheyenne	\$1,421	\$1,852		\$0	\$364
Denver	\$1,490	\$2,583	\$796	\$0	\$506

¹⁴¹ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

¹⁴² DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

Outpatient

Facility	Clinic Costs Per Encounter ¹⁴³		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Cheyenne	\$141	\$280	\$97
Denver	\$126	\$201	\$87

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹⁴⁴						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Cheyenne	\$6,334	\$4,892	\$8,016	\$8,002	\$0	\$0	\$0
Denver	\$8,159	\$6,478	\$15,774	\$10,213	\$12,029	\$3,989	\$8,242

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹⁴⁵

Satisfaction Score	Cheyenne	Denver	VHA
Inpatient overall quality (mean)	85	78	74
Outpatient overall quality (mean)	76	72	73

¹⁴³ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.¹⁴⁴ DSS Costs adjusted to remove depreciation and National/VISN Overhead.¹⁴⁵ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

Mission Change

Small Facility – Grand Junction, Colorado

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
Grand Junction	Internal Med	10	8.55	8.54	8.90	8.91	24.00	18.00
	Surgery	5	4.55	5.20	5.15	4.11		
	Psychiatry	8	6.03	5.50	5.10	5.10		
	Inpatient Total	23	19.13	19.25	19.16	18.12		
	VA Nurs Home	30	29.19	27.77	28.35	27.66		
Denver	Internal Med	40	47.11	44.02	41.2	38.47		
	Neurology	2	2.31	2.08	1.61	1.23		
	Rehab Med	12	10.31	10.92	8.33	8.23		
	Intermediate	4	3.43	7.99	3.65	2.07		
	Surgery	30	25.19	23.84	21.53	21.62		
	Psychiatry	40	42.51	44.62	40.14	36.31		
	Inpatient Total	128	130.86	133.47	116.46	107.93		
	VA Nurs Home	100	54.81	54.96	86.8	88.79		
Salt Lake City	Internal Med	50	38.91	39.11	36.72	38.94		
	Rehab Med	5	4.19	4.27	3.52	3.84		
	Intermediate	0	4.97	6.05	3.98	4.38		
	Surgery	30	25.5	22.91	20.38	22.56		
	Psychiatry	36	17.05	16.47	18.3	28.59		
	Inpatient Total	121	90.61	88.82	82.9	98.32		

* ADC = Average Daily Census

ACCESS TO VA CARE

There are no VAMCs within 60 minutes of Grand Junction.

COMMUNITY ALTERNATIVES¹⁴⁶

According to data provided, there are two medical centers with JCAHO accreditation.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	Community Hospital	Grand Junction	CO	51	N/A	yes	yes
30	St. Mary's Hospital and Medical Center	Grand Junction	CO	281	175	yes	yes

¹⁴⁶ Please see Footnote 7 on page D-9.

QUALITY OF CARE¹⁴⁷*Medicine*

	# Grand Junction Better than National Average for FY 2002	# Salt Lake Better than National Average for FY 2002	# Denver Better than National Average for FY 2002
Cancer screening – colorectal	1/1	1/1	1/1
Diabetes	4/6	5/6	3/6
Hepatitis C – primary care	2/2	1/2	2/2
Heart Failure – inpatient	1/1	1/1	1/1
Hypertension	1/2	2/2	1/2
Ischemic heart disease	3/3	3/3	2/3
Tobacco cessation – primary care	2/3	2/3	2/3
Total	14/18	15/18	12/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome rating is defined as:

- *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients

Facility	Sample Size	Mortality	Morbidity
Grand Junction*	1,113	Normal	Normal
Salt Lake City	1,206	Normal	Normal

* Facility has insufficient number of major surgical cases in any one year for reliable risk adjustment, so 3 fiscal years are combined (FY 2000 – FY 2002).

COSTS*Inpatient*

Facility	Cost Per Day ¹⁴⁸				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Grand Junction	\$1,122	\$1,508	\$1,157	\$0	\$396
Denver	\$1,490	\$2,583	\$796	\$0	\$506
Salt Lake City	\$1,439	\$2,521	\$947	\$0	\$1,224

¹⁴⁷ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

¹⁴⁸ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

Outpatient

Facility	Clinic Costs per Encounter ¹⁴⁹		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Grand Junction	\$96	\$231	\$80
Denver	\$126	\$201	\$87
Salt Lake City	\$209	\$271	\$78

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹⁵⁰						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Grand Junction	\$5,012	\$5,725	\$7,886	\$8,518	\$7,698	\$3,922	\$7,440
Denver	\$8,159	\$6,478	\$15,774	\$10,213	\$12,029	\$3,989	\$8,242
Salt Lake City	\$7,826	\$7,341	\$15,084	\$11,131	\$7,597	\$4,178	\$7,140

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹⁵¹

Satisfaction Score	Grand Junction	Denver	Salt Lake City	VHA
Inpatient overall quality (mean)	90	78	82	74
Outpatient overall quality (mean)	79	72	74	73

¹⁴⁹ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.¹⁵⁰ DSS Costs adjusted to remove depreciation and National/VISN Overhead.¹⁵¹ Data downloaded from http://vawww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

VISN 20, VA Northwest Network

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Inpatient Care	ALASKA VA Alaska HCS (Anchorage)			INLAND NORTH Spokane Walla Walla		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	26	25	24	36	49	42
Surgery	11	8	7	6	7	6
Psychiatry	6	11	8	31	41	36

Inpatient Care	INLAND SOUTH Boise			SOUTH CASCADES Portland Roseburg, White City			WEST WASH VA Puget Sound HCS (Seattle, American Lake)		
	<i>Beds</i>			<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	26	29	26	100	116	98	86	124	115
Surgery	8	10	9	57	52	44	59	72	66
Psychiatry	24	26	24	78	81	66	92	104	87

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Outpatient Care	ALASKA VA Alaska HCS (Anchorage)			INLAND NORTH Spokane Walla Walla		
	<i>Stops</i>			<i>Stops</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	58k	74k	66k	104k	128k	110k
Specialty Care	45k	67k	68k	59k	143k	132k
Mental Health	23k	37k	27k	50k	71k	57k

APPENDIX D – DATA TABLES

Outpatient Care	INLAND SOUTH Boise			SOUTH CASCADES Portland Roseburg, White City			WEST WASH VA Puget Sound HCS (Seattle, American Lake)		
	Stops			Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	65k	73k	69k	256k	329k	284k	172k	350k	326k
Specialty Care	37k	84k	82k	206k	325k	301k	165k	362k	367k
Mental Health	30k	46k	41k	180k	182k	180k	198k	205k	202k

Mission Change

Small Facility – Vancouver, Washington

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
Portland	Internal Med	60	53.11	57.39	44.48	47.27
	Neurology	6	3.81	3.75	3.27	3.24
	Rehab Med	10	8.79	9.35	0	0
	Intermediate	1	0.26	0	0	0
	Surgery	52	40.14	43.15	36.37	40.79
	Psychiatry	20	24.68	23.76	17.68	19.97
	Inpatient Total	149	130.8	137.4	101.8	111.27
	VA Dom	0	50.58	48.03	0	0
	VA Nurs Home	72	57.69	55.72	0	0
Vancouver	VA Nurs Home	0	No data	No data	60.65	67.35

* ADC = Average Daily Census

ACCESS TO VA CARE

The nearest VAMC is in Portland, and it is within 30 minutes of Vancouver.

COMMUNITY ALTERNATIVES

Community alternatives were not explored in cases of realignment only.

QUALITY OF CARE*Medicine*¹⁵²

	# Portland Better than National Average for FY 2002
Cancer screening – colorectal	1/1
Diabetes	4/6
Hepatitis C – primary care	1/2
Heart Failure – inpatient	0/1
Hypertension	0/2
Ischemic heart disease	1/3
Tobacco cessation – primary care	3/3
Total	10/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome ratings are defined as:

- ▶ *High Outlier:* Facility is experiencing more adverse events in major surgical procedures than would be expected from severity of illness of their patients.
- ▶ *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients

Facility	Sample Size	Mortality	Morbidity
Portland	1,448	Normal	High Outlier
Vancouver	No surgery	–	–

COSTS*Inpatient*

Facility	Cost Per Day ¹⁵³				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Vancouver				\$453	\$598
Portland	\$1,965	\$2,931	\$917	\$0	\$620

¹⁵² Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003. Data reflects both Portland and Vancouver.

¹⁵³ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

Outpatient

Facility	Clinic Costs Per Encounter ¹⁵⁴		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Vancouver	\$178	\$144	\$80
Portland	\$156	\$198	\$112

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹⁵⁵						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Vancouver	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Portland	\$9,199	\$6,779	\$16,836	\$11,128	\$8,165	\$4,247	\$6,846

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹⁵⁶

Satisfaction Score	Portland	Vancouver	VHA
Inpatient overall quality (mean)	83	No data	74
Outpatient overall quality (mean)	75	71	73

Mission Change**White City, Oregon****WORKLOAD**

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
Roseburg	Internal Med	23	11.49	13.88	12.88	15.46
	Intermediate	10	4.52	5.27	6.12	6.37
	Surgery	3	2.01	1.44	0.74	0.95
	Psychiatry	52	35.29	37.85	43.16	43.93
	Inpatient Total	88	53.32	58.43	62.9	66.71
	VA Nurs Home	75	45.61	48.68	49.34	52.03
S. Oregon Rehab White City	VA Dom	750.9	692.96	620.41	488.72	515.05

* ADC = Average Daily Census

¹⁵⁴ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.¹⁵⁵ DSS Costs adjusted to remove depreciation and National/VISN Overhead.¹⁵⁶ Data downloaded from http://vawww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

ACCESS TO VA CARE

There is no VAMC within 60 minutes of White City.

COMMUNITY ALTERNATIVES

Community alternatives were not explored in cases of realignment only.

QUALITY OF CARE¹⁵⁷***Medicine***

	White City Better than National Average for FY 2002	Roseberg Better than National Average for FY 2002
Cancer screening – colorectal	1/1	1/1
Diabetes	6/6	5/6
Hepatitis C – primary care	2/2	2/2
Heart Failure – inpatient	No data	1/1
Hypertension	2/2	2/2
Ischemic heart disease	1/3	1/3
Tobacco cessation – primary care	3/3	3/3
Total	15/17	15/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome rating is defined as:

- *Low Outlier*: Facility is experiencing fewer adverse events in major surgical procedures than would be expected from severity of illness of their patients.

Facility	Sample Size	Mortality	Morbidity
Roseburg*	800	Low Outlier	Low Outlier
White City	No surgery	–	–

* Facility has insufficient number of major surgical cases in any one year for reliable risk adjustment, so 3 fiscal years are combined (FY 2000 – FY 2002).

¹⁵⁷ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

COSTS***Inpatient***

Facility	Cost Per Day ¹⁵⁸				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
White City				\$106	\$0
Roseburg	\$1,333	\$3,066	\$563	\$0	\$376

Outpatient

Facility	Clinic Costs Per Encounter ¹⁵⁹		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
White City	\$229	\$139	\$45
Roseburg	\$146	\$243	\$63

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹⁶⁰						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
White City	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Roseburg	\$5,779	\$5,124	\$10,980	\$5,967	\$7,047	\$3,829	\$6,543

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹⁶¹

Satisfaction Score	White City	Roseburg	VHA
Inpatient overall quality (mean)	No data	74	74
Outpatient overall quality (mean)	81	73	73

¹⁵⁸ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.¹⁵⁹ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.¹⁶⁰ DSS Costs adjusted to remove depreciation and National/VISN Overhead.¹⁶¹ Data downloaded from http://vawww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

Mission Change

Walla Walla, Washington

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
Walla Walla	Internal Med	5	5.11	7.27	4.69	4.44		
	Psychiatry	31	22.93	22.72	21.34	21.06		
	Inpatient Total	36	28.04	29.99	26.03	25.50	40.00	36.00
	VA Nurs Home	30	22.38	20.32	20.72	22.38		

* ADC = Average Daily Census

ACCESS TO VA CARE

There is no VAMC within 60 minutes of Walla Walla.

COMMUNITY ALTERNATIVES¹⁶²

According to data provided, there are four medical centers with JCAHO accreditation.

Time To	Hospital Name	City	Staff State	Beds	Acute Census	Psychiatric Care	Care
30	Walla Walla General Hospital	Walla Walla	WA	72	N/A	yes	no
30	St. Mary Medical Center	Walla Walla	WA	105	52	yes	no
30	State Penitentiary Hospital	Walla Walla	WA	36	N/A	yes	no
60	Saint Anthony's Hospital	Pendleton	OR	49	19	yes	no

QUALITY OF CARE¹⁶³

Medicine

	Walla Walla Better than National Average for FY 2002	Spokane Better than National Average for FY 2002
Cancer screening – colorectal	1/1	1/1
Diabetes	4/6	6/6
Hepatitis C – primary care	2/2	2/2
Heart Failure – inpatient	0/1	0/1
Hypertension	0/2	2/2
Ischemic heart disease	0/3	0/3
Tobacco cessation – primary care	3/3	2/3
Total	10/18	13/18

¹⁶² Please see Footnote 7 on page D-9.

¹⁶³ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs. The outcome ratings is defined as:

- *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients.

Facility	Sample Size	Mortality	Morbidity
Spokane*	1045	Normal	Normal
Walla Walla	No surgery	-	-

* Facility has insufficient number of major surgical cases in any one year for reliable risk adjustment, so 3 fiscal years are combined (FY 2000 – FY 2002).

COSTS***Inpatient***

Facility	Cost Per Day ¹⁶⁴				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Walla Walla	\$1,998		\$1,089	\$0	\$289
Spokane	\$1,392	\$2,946	\$1,255	\$0	\$484

Outpatient

Facility	Clinic Costs Per Encounter ¹⁶⁵		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Walla Walla	\$131	\$193	\$88
Spokane	\$79	\$173	\$101

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹⁶⁶						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Walla Walla	\$8,225	\$5,372	\$0	\$0	\$6,449	\$3,788	\$6,428
Spokane	\$8,023	\$6,039	\$12,143	\$8,110	\$10,060	\$3,878	\$9,119

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹⁶⁷

Satisfaction Score	Walla Walla	Spokane	VHA
Inpatient overall quality (mean)	75	88	74
Outpatient overall quality (mean)	75	82	73

¹⁶⁴ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

¹⁶⁵ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.

¹⁶⁶ DSS Costs adjusted to remove depreciation and National/VISN Overhead.

¹⁶⁷ Data downloaded from http://vawww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

VISN 21, VA Sierra Pacific Network

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Inpatient Care	NORTH COAST San Francisco Martinez			SOUTH COAST Palo Alto Livermore Menlo Park		
	Beds			Beds		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	62	54	39	83	84	68
Surgery	52	33	24	50	32	24
Psychiatry	24	19	15	121	108	80
Inpatient Care	NORTH VALLEY Sacramento			SIERRA NEVADA Reno		
	Beds			Beds		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	26	48	36	23	28	22
Surgery	13	12	9	11	8	6
Psychiatry	2	8	5	14	19	13
Inpatient Care	SOUTH VALLEY Fresno			PACIFIC ISLAND Honolulu – OPC		
	Beds			Beds		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	28	24	17	26	36	31
Surgery	12	6	4	18	16	14
Psychiatry	10	14	9	15	24	18

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Outpatient Care	NORTH COAST San Francisco Martinez			SOUTH COAST Palo Alto Livermore Menlo Park		
	Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	176k	286k	218k	128k	182k	140k
Specialty Care	199k	264k	218k	131k	192k	159k
Mental Health	217k	0	0	89k	0	0
Outpatient Care	NORTH VALLEY Sacramento			SIERRA NEVADA Reno		
	Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	118k	137k	105k	74k	93k	74k
Specialty Care	90k	130k	107k	65k	92k	79k
Mental Health	34k	0	0	29k	0	0
Outpatient Care	SOUTH VALLEY Fresno			PACIFIC ISLAND Honolulu – OPC		
	Stops			Stops		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	81k	82k	60k	66k	111k	97k
Specialty Care	63k	99k	77k	37k	114k	107k
Mental Health	35k	0	0	47k	0	0

Mission Change

Campus Realignment – Livermore, California

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*
Palo Alto	Internal Med	49	42.46	43.38	46.72	53.11
	Neurology	3	1.77	1.8	2.07	1
	Rehab Med	16	10.11	11.82	9.53	9.64
	Blind Rehab	32	23.3	20.46	21.73	24.14
	Spinal Cord	43	34.06	34.7	32.67	30.1
	Intermediate	36.9	39.56	39.72	30.48	16.22
	Surgery	42	43.66	43.09	39.22	37.25
	Psychiatry	174	188.99	150.97	112.59	119.87
	Inpatient Total	395.9	383.9	345.93	295.01	291.33
	VA Dom	100	176.67	101.04	90.63	87.96
	VA Nurs Home	322.8	321.22	286.74	320.01	351.5
Livermore	Intermediate	16.2	0	0	0	0
	Inpatient Total	16.2	0	0	0	0
	VA Nurs Home	70.2	0	0	0	0

* ADC = Average Daily Census

ACCESS TO VA CARE

The nearest VAMCs to Livermore are Menlo Park Division and Palo Alto, which are both within 60 minutes of Livermore.

COMMUNITY ALTERNATIVES

Community alternatives were not explored in this case.

QUALITY OF CARE¹⁶⁸

Note: Palo Alto quality of care data includes data for Palo Alto, Livermore and Menlo Park.

¹⁶⁸ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

Medicine

	# Palo Alto Better than National Average for FY 2002
Cancer screening – colorectal	1/1
Diabetes	6/6
Hepatitis C – primary care	2/2
Heart Failure – inpatient	1/1
Hypertension	2/2
Ischemic heart disease	3/3
Tobacco cessation – primary care	3/3
Total	18/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome ratings is defined as:

- *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients

Facility	Sample Size	Mortality	Morbidity
Palo Alto	1,500	Normal	Normal
Livermore	No surgery	–	–

COSTS***Inpatient***

Facility	Cost Per Day ¹⁶⁹				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Livermore	\$1,409	\$2,056	\$946	\$0	\$445
Palo Alto	\$1,371	\$2,375	\$913	\$287	\$545

¹⁶⁹ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

Outpatient

Facility	Clinic Costs Per Encounter ¹⁷⁰		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Livermore	\$234	\$206	\$169
Palo Alto	\$254	\$421	\$144

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹⁷¹						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Livermore	\$10,565	\$12,162	\$23,253	\$9,434	\$0	\$0	\$0
Palo Alto	\$15,830	\$8,000	\$19,598	\$10,791	\$13,878	\$4,062	\$10,251

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹⁷²

Satisfaction Score	Palo Alto	Livermore	Menlo Park	VHA
Inpatient overall quality (mean)	83	60	74	74
Outpatient overall quality (mean)	79	79	82	73

CAMPUS REALIGNMENT COST DATA¹⁷³

	Alternative 1	Alternative 2
Capital Costs		
New Construction	\$22,870,571	\$79,571,036
Renovation	\$87,280,414	\$25,870,571
Total Capital Costs	\$110,150,985	\$105,441,607
Life Cycle Costs	\$5,787,698,210	\$5,966,177,520
Net Present Value	\$564,113,420	\$385,634,200

¹⁷⁰ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.¹⁷¹ DSS Costs adjusted to remove depreciation and National/VISN Overhead.¹⁷² Data downloaded from vawww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.¹⁷³ VISN 21 Campus Realignment Study.

VISN 22, VA Desert Pacific Health Care Network

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Inpatient Care	CALIFORNIA Long Beach, Loma Linda, LA, San Diego			NEVADA Las Vegas		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	272	362	283	27	51	45
Surgery	162	156	122	14	18	16
Psychiatry	217	190	143	15	18	14

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Outpatient Care	CALIFORNIA Long Beach, Loma Linda, LA, San Diego			NEVADA Las Vegas		
	<i>Stops</i>			<i>Stops</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	701k	1,200k	970k	123k	183k	166k
Specialty Care	674k	1,209k	1,042k	88k	192k	185k
Mental Health	520k	525k	520k	37k	63k	52k

VISN 23, VA Upper Midwest Health Care System

CARES Workload Projections – Inpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Inpatient Care	IOWA Knoxville, Des Moines Iowa City			MINNESOTA Minneapolis St. Cloud		
	<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	71	64	44	105	99	74
Surgery	34	27	19	72	48	35
Psychiatry	27	39	30	32	42	28

Inpatient Care	NEBRASKA Grand Island Lincoln (CBOC) Omaha			NORTH DAKOTA Fargo			SOUTH DAKOTA Fort Meade Hot Springs Sioux Falls		
	<i>Beds</i>			<i>Beds</i>			<i>Beds</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Medicine	54	45	32	28	30	20	58	46	31
Surgery	22	18	12	10	9	6	22	15	11
Psychiatry	22	30	23	8	13	9	37	43	35

CARES Workload Projections – Outpatient

The following projections for FY 2012 and FY 2022 were generated using the CARES model using the baseline information from FY 2001.

Outpatient Care	IOWA Knoxville, Des Moines Iowa City			MINNESOTA Minneapolis St. Cloud		
	<i>Stops</i>			<i>Stops</i>		
	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	136k	200k	164k	207k	295k	247k
Specialty Care	126k	209k	176k	231k	322k	286k
Mental Health	93k	N/A	N/A	194k	N/A	N/A

APPENDIX D – DATA TABLES

	NEBRASKA Grand Island Lincoln (CBOC) Omaha			NORTH DAKOTA Fargo			SOUTH DAKOTA Fort Meade Hot Springs Sioux Falls		
	Stops			Stops			Stops		
Outpatient Care	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022	FY 2001	FY 2012	FY 2022
Primary Care	156k	171k	139k	77k	77k	60k	170k	145k	116k
Specialty Care	135k	183k	156k	39k	85k	70k	119k	155k	130k
Mental Health	67k	68k	67k	14k	23k	19k	109k	N/A	N/A

Mission Change

Campus Realignment/Small Facility – Knoxville, Iowa and Des Moines, Iowa

WORKLOAD

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
Knoxville	Intermediate	8.4	1.07	12.37	12.08	6.18		
	Psychiatry	14.3	2.42	9.46	9.17	8.31		
	Inpatient Total		3.49	21.83	21.25	14.49	26.00	20.00
	VA Dom	16.8		32.57	35.13	31.62		
	VA Nurs Home	94		188.30	179.60	171.18		
Des Moines	Internal Med	29	2.14	22.16	20.29	20.97		
	Intermediate	12	0.01	1.10	1.13	1.62		
	Surgery	17.60	0.87	10.10	9.14	8.15		
	Inpatient Total		3.02	33.36	30.56	30.74	34.00	24.00
	VA Dom			31.98	30.42	32.68		

* ADC = Average Daily Census

ACCESS TO VA CARE

Of the 67 Zip codes around Knoxville, one is within 30 minutes of Des Moines, ten are within 60 minutes of Des Moines, and two are within 60 minutes of Iowa City.

COMMUNITY ALTERNATIVES¹⁷⁴

According to data provided, there are four medical centers with JCAHO accreditation within 60 minutes of Knoxville.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	Knoxville Area Community Hospital	Knoxville	IA	52	28	yes	yes
30	Pella Regional Health Center	Pella	IA	156	138	yes	no
60	Skiff Medical Center	Newton	IA	52	24	yes	yes
60	Mahaska County Hospital	Oskaloosa	IA	53	12	yes	yes

QUALITY OF CARE¹⁷⁵

Note: Des Moines quality-of-care data includes data for Des Moines and Knoxville.

Medicine

	# Des Moines and Knoxville Better than National Average for FY 2002
Cancer screening – colorectal	0/1
Diabetes	3/6
Hepatitis C – primary care	2/2
Heart Failure – inpatient	0/1
Hypertension	2/2
Ischemic heart disease	0/3
Tobacco cessation – primary care	2/3
Total	9/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs. The outcome ratings is defined as:

- *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients.

Facility	Sample Size	Mortality	Morbidity
Knoxville	No Surgery	–	–
Des Moines	474	Normal	Normal

¹⁷⁴ Please see Footnote 7 on page D-9.

¹⁷⁵ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

COSTS***Inpatient***

Facility	Cost Per Day ¹⁷⁶				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Knoxville	\$959	\$3,480	\$720	\$798	\$347
Des Moines	\$1,536	\$1,839	\$783	\$234	\$0

Outpatient

Facility	Clinic Costs Per Encounter ¹⁷⁷		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Knoxville	\$224	\$96	\$50
Des Moines	\$144	\$206	\$70

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹⁷⁸						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Knoxville	\$14,868	\$9,899	\$0	\$0	\$5,015	\$4,373	\$3,412
Des Moines	\$7,407	\$5,684	\$12,364	\$7,424	\$18,961	\$4,507	\$4,295

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹⁷⁹

Satisfaction Score	Des Moines	Knoxville	VHA
Inpatient overall quality (mean)	78	60	74
Outpatient overall quality (mean)	79	81	73

¹⁷⁶ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.¹⁷⁷ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.¹⁷⁸ DSS Costs adjusted to remove depreciation and National/VISN Overhead.¹⁷⁹ Data downloaded from http://vawww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

Mission Change

Small Facility – St. Cloud, Minnesota

WORKLOAD:

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
St. Cloud	Neurology Intermediate		5.73	5.81	1.95			
	Psychiatry	40	28.43	25.77	38.32	39.01		
	Inpatient Total	48	34.50	31.58	40.27	39.01	26.00	18.00
	VA Dom	123	107.63	113.53	100.05	92.69		
	VA Nurs Home	220	211.15	211.10	209.28	203.58		
Minneapolis	Internal Med	108	71.86	70.27	68.57	67.81		
	Neurology	2	0.89	2.07	1.69	0.82		
	Rehab Med	10	6.78	8.1	5.09	5.6		
	Surgery	92	58.29	52.83	39.93	35.88		
	Psychiatry	25	20.27	15.52	14.21	15.09		
	Inpatient Total	237	158.09	148.79	129.49	125.19		
	VA Nurs Home	104	86.85	85.85	87.25	87.62		

* ADC = Average Daily Census

ACCESS TO VA CARE

Of 105 zip codes around St. Cloud, 13 are within 60 minutes of Minneapolis.

COMMUNITY ALTERNATIVES¹⁸⁰

According to data provided, there are four medical centers with JCAHO accreditation.

Time To	Hospital Name	City	State	Staff Beds	Census	Acute Care	Psychiatric Care
30	St. Cloud Hospital	Saint Cloud	MN	616	428	yes	yes
60	St. Gabriel's Hospital	Little Falls	MN	205	162	yes	no
60	Monticello Biglake Hospital	Monticello	MN	103	99	yes	no
60	Fairview Northland Regional Healthcare	Princeton	MN	40	17	no	no

¹⁸⁰ Please see Footnote 7 on page D-9.

QUALITY OF CARE¹⁸¹*Medicine*

	# St. Cloud Better than National Average for FY 2002	# Minneapolis Better than National Average for FY 2002
Cancer screening – colorectal	1/1	1/1
Diabetes	5/6	2/6
Hepatitis C – primary care	2/2	2/2
Heart Failure – inpatient	0/1	0/1
Hypertension	2/2	1/2
Ischemic heart disease	1/3	2/3
Tobacco cessation – primary care	2/3	2/3
Total	13/18	10/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome ratings are defined as:

- *Low Outlier*: Facility is experiencing fewer adverse events in major surgical procedures than would be expected from severity of illness of their patients.
- *Normal*: Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients.

Facility	Sample Size	Mortality	Morbidity
Minneapolis	1349	Low Outlier	Normal
St. Cloud	No surgery	–	–

¹⁸¹ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/eprp.htm>, November 4, 2003.

COSTS***Inpatient***

Facility	Cost Per Day ¹⁸²				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
St. Cloud	\$1,376		\$1,094	\$0	\$280
Minneapolis	\$1,588	\$2,487	\$1,082	\$0	\$673

Outpatient

Facility	Clinic Costs Per Encounter ¹⁸³		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
St. Cloud	\$164	\$170	\$31
Minneapolis	\$238	\$237	\$102

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹⁸⁴						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
St. Cloud	\$5,022	\$5,435	\$0	\$0	\$5,224	\$3,909	\$4,465
Minneapolis	\$8,204	\$6,862	\$14,791	\$11,360	\$8,277	\$4,476	\$6,809

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹⁸⁵

Satisfaction Score	St. Cloud	Minneapolis	VHA
Inpatient overall quality (mean)	66	82	74
Outpatient overall quality (mean)	81	78	73

¹⁸² DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.¹⁸³ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.¹⁸⁴ DSS Costs adjusted to remove depreciation and National/VISN Overhead.¹⁸⁵ Data downloaded from http://vawww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

Mission Change**Small Facility – Hot Springs, South Dakota****WORKLOAD**

Facility	Services	Average Operating Beds	FY 2000 ADC*	FY 2001 ADC*	FY 2002 ADC*	FY 2003 ADC*	FY 2012 ADC*	FY 2022 ADC*
Hot Springs	Internal Med	18	17.32	13.08	10.16	9.71	23.00	20.00
	Surgery	1	0.24	0.01	0.00	0.00		
	Inpatient Total	19	17.56	13.08	10.16	9.71		
	VA Dom	160	129.81	125.69	145.82	142.15		
Fort Meade	Internal Med	14	14.86	14.66	10.98	11.13		
	Surgery	11	8.38	7.28	6.71	7.31		
	Psychiatry	20	17.19	15.33	14.14	15.64		
	Inpatient Total	45	40.43	37.27	31.83	34.08		
	VA Dom	0	7.44	0	0	0		
	VA Nurs Home	104	88.13	80.11	82.51	81.12		

* ADC = Average Daily Census

ACCESS TO VA CARE

Of 13 Zip codes around Hot Springs, there are no VAMC within 60 minutes.

COMMUNITY ALTERNATIVES

According to data provided, there is no medical center that is JCAHO accredited.

QUALITY OF CARE¹⁸⁶

Note: Fort Meade quality of care data includes data for Fort Meade and Hot Springs.

¹⁸⁶ Data downloaded from VSSC Web Site, <http://vssc.med.va.gov/pm/epwp.htm>, November 4, 2003.

Medicine

	# Fort Meade and Hot Springs Better than National Average for FY 2002
Cancer screening – colorectal	1/1
Diabetes	6/6
Hepatitis C – primary care	2/2
Heart Failure – inpatient	0/1
Hypertension	2/2
Ischemic heart disease	0/3
Tobacco cessation – primary care	2/3
Total	13/18

Surgery

Below are quality outcomes ratings, which are based on VA's Office of Surgery's review of surgical programs.

The outcome ratings are defined as:

- ▶ *High Outlier:* Facility is experiencing more adverse events in major surgical procedures than would be expected from severity of illness of their patients.
- ▶ *Low Outlier:* Facility is experiencing fewer adverse events in major surgical procedures than would be expected from severity of illness of their patients.
- ▶ *Normal:* Facility is experiencing the number of adverse events in major surgical procedures that would be expected on the basis of severity of illness of their patients

Facility	Sample Size	Mortality	Morbidity
Hot Springs*	693	Normal	Low Outlier
Ft. Meade	532	High Outlier	Low Outlier

* Facility has insufficient number of major surgical cases in any one year for reliable risk adjustment, so 3 fiscal years are combined (FY 2000 – FY 2002).

COSTS***Inpatient***

Facility	Cost Per Day ¹⁸⁷				
	Medicine	Surgery	Psychiatry	Domiciliary	Nursing Home
Hot Springs	\$1,579	\$2,100	\$1,075	\$85	\$0
Ft. Meade	\$1,349	\$1,769	\$1,101	\$0	\$327

¹⁸⁷ DSS Costs per day adjusted to remove depreciation and National/VISN Overhead.

Outpatient

Facility	Clinic Costs Per Encounter ¹⁸⁸		
	Primary Care	Medicine/Surgery Specialty Care	Mental Health
Hot Springs	\$119	\$241	\$77
Ft. Meade	\$138	\$134	\$69

FY 2002 Cost per discharge compared to similar DRG Contract Costs

Facility	Cost Per Discharge ¹⁸⁹						
	Medicine VA	Medicine Contract	Surgery VA	Surgery Contract	Psychiatry VA	Psychiatry Contract	Psychiatry Acute VA
Hot Springs	\$8,330	\$5,313	\$11,735	\$8,829	\$8,906	\$3,164	\$8,906
Ft. Meade	\$6,320	\$5,795	\$8,684	\$8,355	\$11,240	\$4,235	\$9,204

CUSTOMER SATISFACTION (THROUGH THIRD QUARTER, FY 2003)¹⁹⁰

Satisfaction Score	Fort Meade	Hot Springs	VHA
Inpatient overall quality (mean)	88	79	74
Outpatient overall quality (mean)	82	80	73

¹⁸⁸ DSS Costs per clinic adjusted to remove depreciation and National/VISN Overhead.¹⁸⁹ DSS Costs adjusted to remove depreciation and National/VISN Overhead.¹⁹⁰ Data downloaded from http://vawww.oqp.med.va.gov/oqp_services/performance_measurement/SHEPPM.html, November 5, 2003.

Financial Review Summary

The Capital Asset Realignment for Enhanced Services (CARES) Commission staff requested assistance from the Department in reviewing the cost effectiveness analyses submitted by VISNs¹ in support of realignment initiatives. The Department assigned a team consisting of staff from the following organizations: Office of Asset Enterprise Management, Office of Management; Office of Policy, Planning, and Preparedness; and the Veterans Health Administration (VHA) Office of Facilities Management. Each team member was selected for his or her professional expertise and experience.

A Limitations on the Reviews

The team was asked to review the proposals as submitted by VHA. The team was not briefed by the CARES Program Office or consultants with regard to the cost-effectiveness methodology utilized in the realignment studies. The team also did not have the opportunity to ask CARES staff or the VISNs any clarifying questions that might have led to greater understanding of the proposals and could have obviated many of the comments made by the team. Because of the review timeframe limitations, a thorough analysis of the recurring and non-recurring costs along with proposed capital expenditures was not possible for all proposals.

It was not possible for reviewers to validate any of the cost data provided in the Excel templates that accompanied the proposals since almost all cells were “pasted” with data and did not reveal the underlying formulas. The team had to accept data at face value, with no opportunity to verify or validate, the underlying assumptions and cost estimates. Examples of the obstacles encountered in the review included:

- The average salary costs for in-house staffing, which comprised approximately two-thirds of operating costs, was not known and could not be assessed.

¹ Terms amenable to the use of acronyms are so designated throughout this report. To assist the reader who may be unfamiliar with the acronyms used, a glossary of terms is provided in Appendix A.

- ▶ The methodology for estimating construction, renovation, and demolition costs could not be verified.
- ▶ The methodology for estimating the cost of providing service in the 100 Percent Contracting Alternatives is also not known and could not be verified.
- ▶ Some proposals included only summary construction costs while others provided more detailed information on specific portions of projects; thus, it was not possible to verify these costs except at the broadest level.
- ▶ There is no source documentation or traceable methodology by which to audit the costs and savings reported in each proposal.
- ▶ It appears that some errors were also made when the data was “cut and pasted” into the templates.
- ▶ Data provided in the narrative was not always consistent with the data provided in the excel templates.

Reviewing projected workload was not one of the charges of the workgroup. However, many of the realignment proposals showed significant workload increases with little or no justification provided on how these projections were developed. As with the financial information, the reviewers had to take workload data at face value. Since the workload is most likely the primary driver behind much of the cost data, it will be important for key decision makers to have a full understanding of how workload projections were developed and applied to the CARES realignment proposals.

The proposals varied greatly in length, level of detail, quality, and completeness. This fact, in addition to the extreme limitations on time available, forced the team to conduct only a preliminary analysis of the cost effectiveness of the proposals using essentially the members’ professional judgment and experience.

B General Observations

Twenty-one realignment proposals were reviewed by the team. The review team did not have the opportunity to review proposals that were not submitted by VHA, e.g., Big Spring, Brooklyn/Manhattan, Hot Springs, etc. There was wide variability in the quality of the realignment studies. At best, the proposals provide a broad overview of the possible alternatives available at the 21 locations. However, numerous inconsistencies and errors in data were found in the proposals. The life cycle costs presented contain many apparent weaknesses and could mislead decision makers. The relative cost effectiveness of alternatives in each proposal may change dramatically after more detailed analyses are completed.

During the next stage of the CARES Capital Investment Process, approved proposals will proceed with the completion of comprehensive Capital Investment Applications (Exhibit 300), which are required by the Office of Management and Budget. The applications will include a more thorough review of a minimum

of three alternatives using a full 30-year life cycle. The applications will also include specific project space requirements, design and construction costs, and project schedules. In addition, the applications will have to address how projects align with VA's overall strategic and performance goals. The comments of this review team should be addressed at the time of the development of the comprehensive applications.

1 *Life-Cycle Costing*

The methodology used to develop these realignment proposals and the life cycle costing of alternatives does not always follow generally accepted principles and the proposals provide only a very general indication of the relative cost effectiveness of the alternatives. The following are a number of key observations:

- The life cycle costs for the Status Quo and for each alternative are calculated for the entire 19-year period (FY 2004 through FY 2022) and are discounted to present value. Such an approach ignores the realities of implementation. For example, the 100 Percent Contracting Alternatives could be implemented at an earlier date than alternatives with a construction requirement

A life cycle cost analysis should reflect anticipated implementation dates for each alternative and should not use a uniform period of operations for all alternatives. In addition, if the constant 19-year life cycle is used for all proposals, the initial recurring or operating costs of all alternatives should be identical to those of the Status Quo until each alternative can be expected to become operational. This is because the Status Quo will be in operation until the implementation dates of the other alternatives. An alternative approach would be to synchronize the life cycle to begin at the earliest implementation date of any alternative. In no case should savings be calculated before realistic implementation dates.

Generally, life cycle costing would include a description of assumptions regarding budgeting and construction activities but in many of these proposals, no descriptions of the assumptions are provided at all. Many proposals make explicit or implicit assumptions without presenting supporting evidence.

Other aberrations were observed that are not explained. For example, at Las Vegas the recurring costs for the recommended alternative of a new hospital includes costs for FYs 2004–2007 that are significantly higher than those shown for the Status Quo for those same years. It is not clear how or why the recurring costs would differ since presumably the Status Quo continues until construction is completed.

2 *Capital Costs*

Construction costs as shown in the Capital Cost Summary are generally “building-only” costs that are current as of the date of the database, which are already 1 year old. These costs do not include sitework and all of the necessary additional markups needed for Congressional funding requests to

ensure that sufficient funding is available for implementation. Thus, capital costs are frequently understated in proposals.

Demolition costs are not estimated in many of the proposals. In proposals that contain demolition cost estimates, the methodologies used to estimate these costs are inconsistent.

Capital costs are included in many proposals for alternatives such as 100 Percent Contracting in which no capital costs should be included at all. In other cases such as Kerrville/San Antonio, capital costs are included for construction that has nothing to do with the decision at hand. In these instances, the life cycle costs are inflated or misleading.

3 *Alternatives*

The description of alternatives in many of the proposals is poorly written and difficult to understand. In many cases, the preferred alternative is intuitively sound but is not adequately supported by evidence.

The characteristics of 100 Percent Contracting Alternatives are not consistently applied among proposals. Proposals frequently contain significant funding for new construction and renovation, which is contrary to the concept of contracting all workload to the community. In some cases, the contracting alternatives are described as transferring workload to other Veteran Administration (VA) facilities. In addition, some proposals did not even consider the 100 Percent Contracting Alternative.

The 100 Percent Contracting Alternative is often unrealistic in that it does not consider reasonable options. For example:

- ▶ An obvious alternative at Las Vegas would include constructing a new outpatient facility while contracting inpatient care to replace the inpatient services that will no longer be provided by the U.S. Air Force (USAF). Contracting inpatient care at Las Vegas would save approximately \$10 million each year or \$170 million from FY 2006 through FY 2022 according to the life cycle costs. Instead, the contract option only considers contracting all services.
- ▶ In the case of Kerrville, no consideration is given to the possibility of contracting for inpatient services while waiting for construction to be completed at San Antonio in FY 2010. Since the inpatient services are proposed to be transferred to San Antonio anyway, contracting for those services at San Antonio could be accomplished by FY 2005 or FY 2006.

4 *Nursing Homes and Domiciliaries*

Many of the proposals address nursing home or domiciliary needs. Making decisions on these proposals may not be wise at this time since future workload is straight-lined pending approval

of a new projection methodology. At least one realignment proposal, White City, uses workload projections that appear to be inconsistent with recent workload and seriously inflated.

Some proposals stress that veterans have significant psychiatric nursing home needs that cannot be met through community nursing homes while other proposals would contract for all nursing home services with no mention of special veteran needs or problems with community nursing home services. There is no apparent explanation for this inconsistency across the country.

5 *Enhanced Use Leasing*

The replacement value of property is generally cited in some of the proposals, presumably as an indication of the market value of property intended to be sold or subject to enhanced use lease (EUL). Some proposals contain no estimate of the value of the property. The replacement value of property should not be used since it bears no relationship to the actual property value. The market value should be accurately determined by a Fair Market Value appraisal or, if an appraisal is not available or feasible, by a Broker's Opinion.

It appears that the full potential of EUL ventures is not widely understood. Many proposals identify only unneeded or underutilized space/land that could be out-leased. The robust nature of VA's enhanced-use lease authority to leverage our assets to acquire all, or a portion of the needed commodity (services, facilities, etc.) is not capitalized upon. For example:

- ▶ The Pittsburgh health care system proposes closing the Highland Drive campus and transferring services to the other two remaining divisions. The proposal indicates that this would require approximately \$100 million in capital investment in new space and parking (500,000 square feet/900 parking spaces) at the remaining care sites and that they could EUL the Highland Drive Campus.
- ▶ The proposal does not identify the interrelationships and interconnectivity of using VA's enhanced-use lease authority to acquire most, if not all, of the required new capital. For example, VA could leverage the Highland Drive site by requiring the lessee to provide the needed buildings and parking as consideration "in-kind" for the lease. This would negate some or all of the need for appropriated funds.
- ▶ It also appears that some of the proposals explored converting VA buildings to assisted living facilities as the only means of utilizing VA's EUL authority.

Generally, savings expected to be received from divestiture or EUL are not identified in the proposals and it is not clear if they have been included in the life cycle costing.

6 *Historic Buildings*

The proposals often identify historic buildings but do not present a reasonable course of action that could be used when EUL or divestiture is considered. For example, Walla Walla acknowledges that 15 of 28 buildings are historic but do not provide a recommendation or solution for handling this situation.

7 *Special Emphasis Programs*

Special emphasis programs are addressed in some of the proposals but are not specifically identified in others. The White City proposal makes a very strong case for continuing its rehabilitation center and clinics. On the other hand, the Lexington/Leestown proposal acknowledges that neither division provides Spinal Cord Injury (SCI), TBI, or Blind Rehabilitation programs and does not propose to improve that situation. Special emphasis programs should be a high priority and be specifically address in all capital investment proposals that are developed.

8 *Staffing*

Many of the proposals do not identify the impact of alternatives on staffing except on a very general level. Some proposals identify full-time employee impact but most do not. In addition, several proposals included costs of full moving/relocation of all effected employees, which is not mandated.

9 *VBA Collocations*

The Pittsburgh and Cleveland proposals identify collocations with Veterans Benefits Administration (VBA) as justification for selection of alternatives yet in both instances, VBA has concluded that the collocations will not take place. It is not clear how the collocation were considered in the life cycle costing of these proposals.

10 *State Home and Homeless Grant Programs*

Neither of these cost-effective programs were utilized to their full capability. Many economic advantages exist with these programs that would go a long way in offsetting out-year fixed cost expenditures. The State Home programs only requires VA to subsidize the procurement of the facility by committing only 65 percent of the total construction costs and utilizes a per diem process for veterans assigned to theses facilities. IF VA doesn't have any veterans in a State Nursing Home on a given day; VA has does not have monetary commitment for that period; VA only pays when using a bed; and the state is liable for the total operating cost of the facility. Likewise, the Homeless Grant program is almost a mirror copy of the State Home Grant program, with the only difference being that VA reimburses the total cost of procurement of these low-cost facilities. All the advantages of only paying for utilized services still exists.